

# ASCENTIS

England & Wales · Charity number 1129180

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [06799564](#)

**Registered** 2009-04-16

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Ascentis House  
3 Mannin Way  
Lancaster  
LA1 3SW

**Phone** 01524845046

**Website** <http://www.ascentis.co.uk>

## Activities

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**Objects:** 1.1 The Objects of the Charity are to:1.1.1 promote and advance education and training of young persons and adults;1.1.2 provide support and relief of those in need by way of disability, including without limitation, dyslexia, dyscalculia and other special education needs; and1.1.3 support and promote positive mental wellbeing and emotional health of young persons and adults, including without limitation, supporting them with education about, and recognition and understanding of, mental health and emotions, and how mental health and emotions affect education.

**Activities:** Awarding Organisation and Access Validating Agency providing qualifications to individuals through education and training providers. The charity also develops learning resources and a specific electronic programme which acts as a literacy intervention.

## Classification

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- **How:** Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

## Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL.
- China
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£6,527,105	£7,210,288	£5,347,457	120
2024-07-31	£6,813,543	£6,861,534	£6,113,991	76
2023-07-31	£5,884,016	£6,167,438	£6,051,638	125
2022-07-31	£4,617,963	£4,180,549	£6,443,207	106
2021-07-31	£4,605,227	£3,845,678	£6,005,793	94
2020-07-31	£4,309,522	£3,817,541	£5,246,244	91

## Trustees

Name	Role	Appointed
<b>STEPHEN CARLISLE</b>	Chair	2011-06-29
Charlotte Elizabeth Rawes		2025-05-20
Ella Tsui-Lau		2026-03-11
Jessica Robinson		2022-05-16
Kathleen Rosemarie Davies		2013-12-06
<b>PHILIP CHARLES WILKINSON</b>		2009-01-23

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2025



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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

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**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CHARITY REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 JULY 2025**

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascentis House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson R Davies J Robinson W Robinson C Rawes
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA 14 Mannin Way Lancaster Lancashire LA1 3SW

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2025. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Reference and administrative details**

Reference and administrative details are shown on page 2 of these financial statements.

#### **The trustees**

The trustees who served the charity during the period were as follows:

S Carlisle  
P C Wilkinson  
R Davies  
A Rushton (resigned 6 December 2024)  
J Robinson  
W Robinson  
M McTague (resigned 20 May 2025)  
C Rawes (appointed 20 May 2025)

#### **Structure, governance and management**

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a minimum of 5 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Group Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis, and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees
- User guide and activation account for OnBoard

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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##### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the Group CEO, who meets formally with his executive team on a regular basis.

##### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, except to its own subsidiary.

##### **Aims, objectives and activities.**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge and acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia, dyscalculia and mental health and well-being intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strengths and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia, dyscalculia and mental health software provision to schools across UK and overseas, in particular, the UAE; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure with appropriate investment; to maintain strong financial health; to keep our staff safe and well and to protect the charity as far as possible against the impact of high inflation.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations-across-the-UK-and-overseas,-and-diverse-advertising,-such-as-through-e-mail-campaigns.

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The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the very reasonable financial performance despite the significant impact of the cost-of-living crisis. Group income decreased marginally over the previous year and the modest operating deficit was broadly in line with the target.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2025**

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#### **STRATEGIC REPORT**

##### **Achievements and performance**

This is Ascentis' seventeenth year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia, dyscalculia and mental health intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This sound staffing and IT infrastructure have enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

##### **Financial review**

###### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The forecasted charitable expenditure in 2025/2026 is approximately £7.1m and therefore, the target reserves are between £2.4m and £5.3m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2025 were £5.3m. After allowing for funds that can only be realised on disposal of a fixed assets (£1.9m), remaining free reserves are £3.4m, which remains in line with the above policy. The charity has no restricted funds

###### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia, dyscalculia and mental health intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

##### **Plans for future periods.**

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved an impressive turnover in the year despite the significant impact of the cost-of-living crisis and restricted the operating deficit to a modest figure despite significant in-year investment.

The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth. The impact of negative funding policy will be mitigated by further growth of qualifications not in scope of funding policy reviews and growth of the subsidiary, IDLS.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 5-year period to 2029. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges, and employers with the optimum level of customer support. Simultaneously, the Dyslexia, Dyscalculia and Mental Health Intervention Support service delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets and new products will be developed for launch in the USA from Spring 2026. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2025-26 year are as follows:

1. Rationalise our product portfolio to enhance sustainability, maximise potential and improve capacity for new product developments.
2. Develop a structured international strategy and align resources accordingly.
3. Continually enhance our approach to financial planning and analysis.
4. Align our people with our growth plans through strategic workforce planning, embed employee engagement strategies to drive performance, and enhance our company values.
5. Mitigate internal and external risks and ensure compliance with all regulators, legal requirements and stakeholders.
6. Create and implement a digital transformation strategy to maximise efficiency and effectiveness through the use of digital technology.
7. Maintain an excellent customer experience by continuously analysing and meeting our customers' evolving needs.

#### **Principal risks and uncertainties**

##### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. An additional more recent risk relates to the recruitment and retention of staff, with the charity having to compete with larger companies offering increased salaries and the option for homeworking. Currently, all risks are being successfully managed.

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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2025**

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#### **Responsibilities of the trustees**

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

MHA previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP. MHA have indicated their willingness to be reappointed as statutory auditors.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

#### **Approval**

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

**Mr P C Wilkinson**  
**Trustee**

..... *Phil Wilkinson*

December 17, 2025

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS**

**FOR THE YEAR ENDED 31 JULY 2025**

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#### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2025 which comprise of the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) regulation 2008 require us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate charitable company or to cease operations, or have no realistic alternative but to do so.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- Auditing the risk of fraud in income by way of cut off testing, testing the deferral of income, as well as income transaction testing to obtain evidence that income is complete and recognised in the correct accounting period;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2025**

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#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, on accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

#### **MHA (Statutory Auditor)**

14 Mannin Way  
Lancaster  
Lancashire  
LA1 3SW

January 5, 2026

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC455542).

MHA is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 JULY 2025**

		Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>					
Charitable activities	3	6,462,198	-	6,462,198	6,727,131
Investments	4	64,907	-	64,907	68,252
<b>Total</b>		<b>6,527,105</b>	<b>-</b>	<b>6,527,105</b>	<b>6,795,383</b>
<b>Expenditure on:</b>					
Charitable activities	7	7,210,288	-	7,210,288	6,861,534
<b>Total</b>		<b>7,210,288</b>	<b>-</b>	<b>7,210,288</b>	<b>6,861,534</b>
<b>Net (expenditure) before other gains</b>	<b>9</b>	<b>(683,183)</b>	<b>-</b>	<b>(683,183)</b>	<b>(66,151)</b>
Net gains on investments		45,153	-	45,153	-
<b>Net (expenditure) before transfers</b>		<b>(638,030)</b>	<b>-</b>	<b>(638,030)</b>	<b>(66,151)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(638,030)</b>	<b>-</b>	<b>(638,030)</b>	<b>(66,151)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,985,487	-	5,985,487	6,051,638
<b>Total funds carried forward</b>		<b>5,347,457</b>	<b>-</b>	<b>5,347,457</b>	<b>5,985,487</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 35 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 JULY 2025**

		Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>					
Charitable activities	3	4,956,152	-	4,956,152	5,143,720
Investments	4	61,975	-	61,975	68,252
Other	5	17,712	-	17,712	18,160
<b>Total</b>		<b>5,035,839</b>	<b>-</b>	<b>5,035,839</b>	<b>5,230,132</b>
<b>Expenditure on:</b>					
Charitable activities	7	5,743,951	-	5,743,951	5,427,904
<b>Total</b>		<b>5,743,951</b>	<b>-</b>	<b>5,743,951</b>	<b>5,427,904</b>
<b>Net (expenditure) before other gains</b>	<b>9</b>	<b>(708,112)</b>	<b>-</b>	<b>(708,112)</b>	<b>(197,772)</b>
Net gains on investments		45,153	-	45,153	-
<b>Net (expenditure) before transfers</b>		<b>(662,959)</b>	<b>-</b>	<b>(662,959)</b>	<b>(197,772)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(662,959)</b>	<b>-</b>	<b>(662,959)</b>	<b>(197,772)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,113,991	-	6,113,991	6,311,763
<b>Total funds carried forward</b>		<b>5,451,032</b>	<b>-</b>	<b>5,451,032</b>	<b>6,113,991</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 35 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2025**

		2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	976,855		1,147,097	
Intangible assets	12	942,663		820,154	
Investments	13	1,045,153		-	
		<u>2,964,671</u>		<u>1,967,251</u>	
<b>Current assets</b>					
Debtors	14	594,233		887,893	
Cash at bank and in hand		<u>2,495,784</u>		<u>3,844,801</u>	
		<u>3,090,017</u>		<u>4,732,694</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(707,231)</u>		<u>(714,458)</u>	
<b>Net current assets</b>		<u>2,382,786</u>		<u>4,018,236</u>	
<b>Total assets less current liabilities</b>		<u>5,347,457</u>		<u>5,985,487</u>	
<b>Provisions for liabilities</b>		-		-	
<b>Net assets</b>		<u>5,347,457</u>		<u>5,985,487</u>	
<b>Funds:</b>					
Unrestricted funds	18	<u>5,347,457</u>		<u>5,985,487</u>	
<b>Total funds</b>		<u>5,347,457</u>		<u>5,985,487</u>	

These accounts were approved by the members of the committee and authorised for issue on the December 17, 2025 and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
 Trustee

**Company Registration Number: 06799564**

The notes on pages 17 to 35 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CHARITY BALANCE SHEET**

**AS AT 31 JULY 2025**

		2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	972,580		1,140,685	
Intangible assets	12	691,251		693,982	
Investments	13	1,045,153		-	
			<b>2,708,984</b>		<b>1,834,667</b>
<b>Current assets</b>					
Debtors	14	918,185		1,182,428	
Investments	15	2		2	
Cash at bank and in hand		2,486,728		3,773,548	
			<b>3,404,915</b>		<b>4,955,978</b>
<b>Creditors:</b> amounts falling due within one year	16	(662,867)		(676,654)	
<b>Net current assets</b>			<b>2,742,048</b>		<b>4,279,324</b>
<b>Total assets less current liabilities</b>			<b>5,451,032</b>		<b>6,113,991</b>
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			<b>5,451,032</b>		<b>6,113,991</b>
<b>Funds:</b>					
Unrestricted funds	18	5,451,032		6,113,991	
<b>Total funds</b>			<b>5,451,032</b>		<b>6,113,991</b>

These accounts were approved by the members of the committee and authorised for issue on December 17, 2025 and are signed on their behalf by:

*Phil Wilkinson*

Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 17 to 35 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS****FOR THE YEAR ENDED 31 JULY 2025**

	Group 2025 Total £	Group 2024 Total £	Charity 2025 Total £	Charity 2024 Total £
<b>Cash (used) in operating activities</b>	<b>(40,933)</b>	(91,352)	<b>(178,417)</b>	(151,735)
<b>Cashflows from investing activities</b>				
Investment income	64,907	68,252	61,975	68,252
Purchase of tangible fixed assets	(136,824)	(66,784)	(136,824)	(60,372)
Purchase of intangible fixed assets	(279,167)	(329,063)	(76,554)	(302,930)
Purchase of investments	(993,489)	-	(993,489)	-
Proceeds from disposal of tangible assets	43,000	-	43,000	-
<b>Cash (used) in investing activities</b>	<b>(1,301,573)</b>	(327,595)	<b>(1,101,892)</b>	(295,050)
<b>(Decrease) in cash and cash equivalents in the year</b>	<b>(1,342,506)</b>	(418,947)	<b>(1,280,309)</b>	(446,785)
Cash and cash equivalents brought forward	3,844,801	4,263,748	3,773,548	4,220,333
<b>Cash and cash equivalents carried forward</b>	<b>2,502,295</b>	3,844,801	<b>2,493,239</b>	3,773,548
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	(638,030)	(66,151)	(662,959)	(197,772)
Investment income received	(64,907)	(68,252)	(61,975)	(68,252)
Depreciation and amortisation	395,304	339,908	380,993	311,434
(Increase)/decrease in debtors	293,660	(340,294)	199,044	(215,245)
Increase/(decrease) in creditors	(7,227)	38,233	(13,787)	18,100
Loss on disposal of fixed assets	25,420	5,204	25,420	-
(Gain) on revaluation of investments	(45,153)	-	(45,153)	-
<b>Net cash (used) in operating activities</b>	<b>(40,933)</b>	(91,352)	<b>(178,417)</b>	(151,735)
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	2,495,784	3,844,801	2,486,728	3,773,548
Cash held at investment brokers	6,511		6,511	
	<b>2,502,295</b>	3,844,801	<b>2,493,239</b>	3,773,548

The notes on pages 17 to 34 form part of these financial statements.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 JULY 2025**

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#### **1 Accounting policies**

##### **Legal form**

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

##### **Basis of preparation**

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis ("the Charity") and its wholly owned subsidiary, International Dyslexia Learning Solutions Limited. The results of the subsidiary are consolidated on a line-by-line basis.

##### **Preparation of the accounts on a going concern basis**

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 1/2 or 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDLS Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025**

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**1 Accounting policies (continued)**

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**Expenditure**

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charity's activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

**Fixed assets**

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 7 years
Motor vehicles	-	5 years (previously 3 years)
Property improvements	-	5 to 15 years

In the year the Trustees assessed that the useful life of motor vehicles should be increased to 5 years, with the revised rate being applied for the year ended 31 July 2025 and beyond.

**Amortisation**

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset once brought into use as follows:

Website costs	-	3 years
Development costs	-	3 to 5 years
Intellectual property	-	10 years

**Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

---

#### **1 Accounting policies (continued)**

##### **Cash and cash equivalents**

Cash balances represent cash in hand and deposits held at banks and building societies.

##### **Debtors and creditors within one year**

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Fund accounting**

###### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

###### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

##### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

##### **Pensions**

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

##### **Redundancy costs**

Redundancy costs are expensed when the liability for payment of such costs is incurred.

##### **Taxation**

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

---

#### **1 Accounting policies (continued)**

##### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

##### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

##### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2025**

---

#### **1 Accounting policies (continued)**

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **2 Judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Key assumptions, judgements and estimates**

###### **Income recognition**

As stated in the accounting policies on page 17, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 1/2 or 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

There have been no other key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****3 Income from charitable activities**

<b>Group</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Awarding qualification income	4,956,152	-	<b>4,956,152</b>	5,143,720
IDLS income	1,506,046	-	<b>1,506,046</b>	1,583,411
	<b>6,462,198</b>	-	<b>6,462,198</b>	6,727,131
<b>Charity</b>				
Awarding qualification income	4,956,152	-	<b>4,956,152</b>	5,143,720
	<b>4,956,152</b>	-	<b>4,956,152</b>	5,143,720

All income from charitable activities in the comparative period was unrestricted.

**4 Income from investments**

<b>Group</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Awarding qualification income	4,956,152	-	<b>4,956,152</b>	5,143,720
IDLS income	1,506,046	-	<b>1,506,046</b>	1,583,411
	<b>6,462,198</b>	-	<b>6,462,198</b>	6,727,131
<b>Charity</b>				
Awarding qualification income	4,956,152	-	<b>4,956,152</b>	5,143,720
	<b>4,956,152</b>	-	<b>4,956,152</b>	5,143,720

All income from investments in the comparative period was unrestricted.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2025

5 Other income				
Group	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Grant income	-	-	-	-
	-	-	-	-
<b>Charity</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Grant income	-	-	-	-
Interest on group loan	17,712	-	17,712	18,160
	17,712	-	17,712	18,160

All other income in the comparative period was unrestricted.

### 6 Income from subsidiary's trading activities

	2025 £	2024 £
<b>International Dyslexia Learning Solutions Limited (Company No. 08345446)</b>		
Turnover	1,506,047	1,583,411
Cost of sales	(776,398)	(806,134)
<b>Gross profit/(loss)</b>	<b>729,649</b>	<b>777,277</b>
Administration costs	(692,915)	(642,521)
<b>Operating profit/(loss)</b>	<b>36,734</b>	<b>134,756</b>
Interest receivable and similar income	2,932	-
Interest payable and similar expenses	(17,712)	(18,160)
<b>Profit/(loss) before charitable donation</b>	<b>21,954</b>	<b>116,596</b>
<b>Assets</b>	<b>396,754</b>	<b>275,703</b>
<b>Liabilities</b>	<b>(500,331)</b>	<b>(401,234)</b>
<b>Share capital and reserves</b>	<b>(103,577)</b>	<b>(125,531)</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2025**

**7 Expenditure on charitable activities**

Group	Promotion of education and training		Total 2025	Total 2024
	Unrestricted	Restricted		
	£	£	£	£
Costs of generating awarding qualification income	2,850,401	-	2,850,401	2,883,722
Costs of generating IDLS income	961,491	-	961,491	958,023
Support costs (see note 8)	3,398,396	-	3,398,396	3,019,789
	<b>7,210,288</b>	<b>-</b>	<b>7,210,288</b>	<b>6,861,534</b>
<b>Charity</b>				
	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
Costs of generating awarding qualification income	2,850,401	-	2,850,401	2,889,907
Support costs (see note 8)	2,893,550	-	2,893,550	2,537,997
	<b>5,743,951</b>	<b>-</b>	<b>5,743,951</b>	<b>5,427,904</b>

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****8 Support costs**

Group	Charitable activities £	Total 2025 £	Total 2024 £
Wages and salaries	1,371,829	1,371,829	1,319,680
Rent	258,759	258,759	258,758
Rates and water	26,727	26,727	20,547
Light and heat	44,143	44,143	34,878
Repairs and maintenance	58,058	58,058	75,195
Insurance	43,774	43,774	39,933
Health and safety	4,069	4,069	10,536
Consultancy fees	59,994	59,994	72,570
Telephone	9,886	9,886	8,362
Printing, postage and stationary	3,454	3,454	4,829
Depreciation	238,646	238,646	240,792
Amortisation	156,658	156,658	99,116
Information Technology	558,344	558,344	556,684
Conference costs	56,830	56,830	49,054
Sundry expenses	163,921	163,921	153,529
Bank charges	5,283	5,283	13,292
Bad debts	35,327	35,327	(279)
Loss on disposal of fixed assets	25,420	25,420	5,204
Profit on foreign exchange	(6)	(6)	(2)
Accountancy fees	16,032	16,032	17,286
Audit Fees	18,600	18,600	19,740
Legal fees	20,008	20,008	18,046
Professional subscriptions	2,469	2,469	2,039
Disallowable VAT	223,146	223,146	-
Recharges	-	-	-
Intercompany write off	(2,975)	(2,975)	-
<b>Total support costs for group</b>	<b>3,398,396</b>	<b>3,398,396</b>	<b>3,019,789</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****8 Support costs (continued)**

Charity	Charitable activities £	Total 2025 £	Total 2024 £
Wages and salaries	1,140,195	1,140,195	1,098,564
Rent	191,882	191,882	191,881
Rates and water	26,727	26,727	20,547
Light and heat	44,143	44,143	34,878
Repairs and maintenance	32,942	32,942	50,079
Insurance	33,791	33,791	29,950
Health and safety	4,069	4,069	10,536
Consultancy fees	59,994	59,994	72,570
Telephone	9,886	9,886	8,362
Printing, postage and stationary	3,454	3,454	4,829
Depreciation	236,509	236,509	240,792
Amortisation	144,484	144,484	70,642
Information Technology	443,464	443,464	442,265
Conference costs	56,830	56,830	49,054
Sundry expenses	149,146	149,146	147,410
Bank charges	3,377	3,377	6,455
Bad debts	35,327	35,327	(11,160)
Accountancy fees	14,056	14,056	13,576
Audit Fees	14,500	14,500	13,375
Legal fees	90	90	1,676
Intercompany loan waived	-	-	41,716
Loss on disposal of fixed assets	25,420	25,420	-
Disallowable VAT	223,146	223,146	-
Recharges	118	118	-
<b>Total support costs for charity</b>	<b>2,893,550</b>	<b>2,893,550</b>	<b>2,537,997</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025**

<b>9</b>	<b>Net income for the year</b>		
	<b>Net income is stated after charging:</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Staff pension contributions	<b>162,840</b>	154,754
	Auditors' remuneration		
	- audit of the financial statements	<b>18,600</b>	19,740
	- preparation of the financial statements	<b>5,100</b>	4,920
	- preparation of tax computations	<b>720</b>	1,170
	Depreciation of tangible assets		
	- owned by the group	<b>238,646</b>	240,792
	Amortisation of intangible assets		
	- owned by the group	<b>156,658</b>	99,116
		<b>156,658</b>	99,116
	<b>Charity</b>		
	Staff pension contributions	<b>129,306</b>	124,641
	Auditors' remuneration		
	- audit of the financial statements	<b>14,500</b>	13,375
	- preparation of the financial statements	<b>3,500</b>	3,370
	Depreciation of tangible assets		
	- owned by the charity	<b>238,646</b>	240,792
	Amortisation of intangible assets		
	- owned by the charity	<b>144,484</b>	70,642
		<b>144,484</b>	70,642
		<b>144,484</b>	70,642
<b>10</b>	<b>Staff costs and emoluments</b>		
	<b>Total staff costs were as follows:</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Wages and salaries	<b>3,870,021</b>	3,691,263
	Social security costs	<b>329,531</b>	279,684
	Pension costs	<b>162,840</b>	154,754
	<b>Total group staff costs</b>	<b>4,362,392</b>	4,125,701
	<b>Charity</b>		
	Wages and salaries	<b>2,979,225</b>	2,761,056
	Social security costs	<b>245,830</b>	212,754
	Pension costs	<b>129,306</b>	124,641
	<b>Total charity staff costs</b>	<b>3,354,361</b>	3,098,451

Included in wages and salaries are organisational change costs of £35,877 (2024: £12,580). This includes statutory redundancy pay, payment in lieu of notice and other miscellaneous costs.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2025**

**10 Staff costs and emoluments (continued)**

**Particulars of employees:**

The average head count number of staff employed by the group during the year was as follows:

	2025 No	2024 No
Executive	3	3
Charitable	73	73
Support	21	29
IDLS	23	23
	<u>120</u>	<u>128</u>

The number of employees, whose remuneration for the year fell within the following bands, were:

	2025 No	2024 No
£80,000 - £89,999	-	1
£90,000 - £99,999	1	1
£100,000-109,999	1	-
£130,000-139,999	-	1
£140,000-149,999	1	-
	<u>1</u>	<u>-</u>

During the year, the following number of executive employees earning more than £60,000 had contributions to pension schemes:

	2025 No	2024 No
Accrued benefits under defined contribution pension schemes	3	3
	<u>3</u>	<u>3</u>

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £39,571 (2024: £39,027).

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****11 Tangible fixed assets**

<b>Group</b>	<b>Leasehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Motor Vehicles £</b>	<b>Totals £</b>
<b>Cost</b>					
At 1 August 2024	934,173	535,627	308,365	108,167	1,886,332
Additions	-	-	31,920	104,904	136,824
Disposals	-	-	(111,248)	(98,000)	(209,248)
<b>At 31 July 2025</b>	<b>934,173</b>	<b>535,627</b>	<b>229,037</b>	<b>115,071</b>	<b>1,813,908</b>
<b>Depreciation</b>					
At 1 August 2024	249,386	248,937	214,393	26,519	739,235
Charge for the year	77,550	76,653	63,969	20,474	238,646
Eliminated on disposals	-	-	(111,248)	(29,580)	(140,828)
<b>At 31 July 2025</b>	<b>326,936</b>	<b>325,590</b>	<b>167,114</b>	<b>17,413</b>	<b>837,053</b>
<b>Net book value</b>					
<b>At 31 July 2025</b>	<b>607,237</b>	<b>210,037</b>	<b>61,923</b>	<b>97,658</b>	<b>976,855</b>
At 31 July 2024	684,787	286,690	93,972	81,648	1,147,097
<b>Charity</b>					
<b>Cost</b>					
At 1 August 2024	934,173	535,627	301,953	108,167	1,879,920
Additions	-	-	31,920	104,904	136,824
Disposals	-	-	(111,248)	(98,000)	(209,248)
<b>At 31 July 2025</b>	<b>934,173</b>	<b>535,627</b>	<b>222,625</b>	<b>115,071</b>	<b>1,807,496</b>
<b>Depreciation</b>					
At 1 August 2024	249,386	248,937	214,393	26,519	739,235
Charge for the year	77,550	76,653	61,832	20,474	236,509
Eliminated on disposals	-	-	(111,248)	(29,580)	(140,828)
<b>At 31 July 2025</b>	<b>326,936</b>	<b>325,590</b>	<b>164,977</b>	<b>17,413</b>	<b>834,916</b>
<b>Net book value</b>					
<b>At 31 July 2025</b>	<b>607,237</b>	<b>210,037</b>	<b>57,648</b>	<b>97,658</b>	<b>972,580</b>
At 31 July 2024	684,787	286,690	87,560	81,648	1,140,685

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****12 Intangible assets**

<b>Group</b>	<b>Software costs</b>	<b>Development costs</b>	<b>Intellectual property</b>	<b>Other intangible assets</b>	<b>Totals</b>
<b>Cost</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2024	666,350	188,056	196,800	71,998	1,123,204
Additions	67,714	202,613	-	8,840	279,167
Transfers	81,499	(81,499)	-	-	-
Disposals	(116,258)	-	-	(19,390)	(135,648)
<b>At 31 July 2025</b>	<b>699,305</b>	<b>309,170</b>	<b>196,800</b>	<b>61,448</b>	<b>1,266,723</b>
<b>Amortisation</b>					
At 1 August 2024	230,515	22,778	-	49,757	303,050
Charge for the year	84,981	15,492	49,200	6,985	156,658
Transfers	16,300	(16,300)	-	-	-
Eliminated on disposal	(116,258)	-	-	(19,390)	(135,648)
<b>At 31 July 2025</b>	<b>215,538</b>	<b>21,970</b>	<b>49,200</b>	<b>37,352</b>	<b>324,060</b>
<b>Net book value</b>					
<b>At 31 July 2025</b>	<b>483,767</b>	<b>287,200</b>	<b>147,600</b>	<b>24,096</b>	<b>942,663</b>
At 31 July 2024	435,835	165,278	196,800	22,241	820,154
<b>Charity</b>					
	<b>Software costs</b>	<b>Development costs</b>	<b>Intellectual property</b>	<b>Other intangible assets</b>	<b>Totals</b>
<b>Cost</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2024	666,350	49,168	196,800	35,520	947,838
Additions	67,714	-	-	8,840	76,554
Transfers	65,199	-	-	-	65,199
Disposals	(116,258)	-	-	-	(116,258)
<b>At 31 July 2025</b>	<b>683,005</b>	<b>49,168</b>	<b>196,800</b>	<b>44,360</b>	<b>973,333</b>
<b>Amortisation</b>					
At 1 August 2024	230,515	-	-	23,341	253,856
Charge for the year	84,981	9,014	49,200	1,289	144,484
Eliminated on disposal	(116,258)	-	-	-	(116,258)
<b>At 31 July 2025</b>	<b>199,238</b>	<b>9,014</b>	<b>49,200</b>	<b>24,630</b>	<b>282,082</b>
<b>Net book value</b>					
<b>At 31 July 2025</b>	<b>483,767</b>	<b>40,154</b>	<b>147,600</b>	<b>19,730</b>	<b>691,251</b>
At 31 July 2024	435,835	49,168	196,800	12,179	693,982

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****13 Investments**

<b>Group and charity</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Other investments</b>		
Balance brought forward (excluding cash)	-	-
Cash injections	<b>993,489</b>	-
Acquisitions at cost	-	-
Disposals at cost	-	-
Unrealised gains	<b>45,153</b>	-
Cash held as part of investment portfolio	<b>6,511</b>	-
<b>Total investments carried forward</b>	<b>1,045,153</b>	-
<b>Historical cost</b>	<b>993,489</b>	-

Total investments comprise of the following types of investments:

UK listed equities & fixed interest securities	<b>18,223</b>	-
Overseas listed equities & fixed interest securities	<b>979,760</b>	-
Property and alternative investments	<b>40,659</b>	-
Cash held as part of investment portfolio	<b>6,511</b>	-
	<b>1,045,153</b>	-

**14 Debtors**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>307,677</b>	633,287	<b>184,932</b>	524,781
Amounts owed by group undertakings	-	-	<b>455,967</b>	429,291
Prepayments and accrued income	<b>280,708</b>	250,825	<b>271,438</b>	225,486
Other debtors	<b>5,848</b>	3,781	<b>5,848</b>	2,870
	<b>594,233</b>	887,893	<b>918,185</b>	1,182,428

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****15 Investments**

<b>Charity</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	2	2
<b>Total investments carried forward</b>	<b>2</b>	<b>2</b>

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Limited. Both companies are incorporated in England and Wales. Virtual Academy Limited was dissolved on 23<sup>rd</sup> September 2025.

**16 Creditors: amounts falling due within one year**

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	240,398	211,556	210,821	191,262
Other taxation and social security	150,767	133,123	150,767	133,123
Other creditors	37,609	43,413	32,830	31,828
Accruals and deferred income	278,457	326,366	268,449	320,441
	<b>707,231</b>	<b>714,458</b>	<b>662,867</b>	<b>676,654</b>
<b>Deferred income</b>			<b>2025</b>	<b>2024</b>
			<b>£</b>	<b>£</b>
Balance brought forward			200,489	207,225
Release of deferred income			(200,489)	(207,225)
Income deferred to 2025-26			197,273	200,489
			<b>197,273</b>	<b>200,489</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****17 Commitments under operating leases**

<b>Group</b>	<b>2025 Land and Buildings £</b>	<b>2025 Other items £</b>	<b>2024 Land and Buildings £</b>	<b>2024 Other items £</b>
Within 1 year	262,500	33,601	262,500	34,499
Within 2 to 5 years	1,050,000	10,625	1,312,500	35,224
After more than 5 years	1,443,750	-	1,443,750	-
	<b>2,756,250</b>	<b>44,226</b>	<b>3,018,750</b>	<b>69,723</b>

<b>Charity only</b>	<b>2025 Land and Buildings £</b>	<b>2025 Other items £</b>	<b>2024 Land and Buildings £</b>	<b>2024 Other items £</b>
Within 1 year	262,500	33,601	262,500	34,499
Within 2 to 5 years	1,050,000	10,625	1,312,500	35,224
After more than 5 years	1,443,750	-	1,443,750	-
	<b>2,756,250</b>	<b>44,226</b>	<b>3,018,750</b>	<b>69,723</b>

**18 Unrestricted income funds: current year**

	<b>At 1 August 2024 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers/ gains £</b>	<b>At 31 July 2025 £</b>
<b>Group</b>					
Designated Funds	-	-	-	-	-
General Funds	5,985,487	6,527,105	(7,210,288)	45,153	5,347,457
<b>Unrestricted funds</b>	<b>5,985,487</b>	<b>6,527,105</b>	<b>(7,210,288)</b>	<b>45,153</b>	<b>5,347,457</b>
<b>Charity</b>					
Designated Funds	-	-	-	-	-
General Funds	6,113,991	5,035,839	(5,743,951)	45,153	5,451,032
<b>Unrestricted funds</b>	<b>6,113,991</b>	<b>5,035,839</b>	<b>(5,743,951)</b>	<b>45,153</b>	<b>5,451,032</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****19 Unrestricted income funds: prior year**

	At 1 August 2023 £	Income £	Expenditure £	Transfers/ gains £	At 31 July 2024 £
<b>Group</b>					
Designated Funds	212,339	-	-	(212,339)	-
General Funds	5,839,299	6,795,383	(6,861,534)	212,339	5,985,487
<b>Unrestricted funds</b>	<b>6,051,638</b>	<b>6,795,383</b>	<b>(6,861,534)</b>	<b>-</b>	<b>5,985,487</b>
<b>Charity</b>					
Designated Funds	212,339	-	-	(212,339)	-
General Funds	6,099,424	5,230,132	(5,427,904)	212,339	6,113,991
<b>Unrestricted funds</b>	<b>6,311,763</b>	<b>5,230,132</b>	<b>(5,427,904)</b>	<b>-</b>	<b>6,113,991</b>

The Trustees created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance was reduced to £nil last year as there was no shortfall and the member is fully underwritten.

**20 Analysis of net assets between funds: current year**

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	2,964,671	2,382,786	-	5,347,457
<b>Total funds</b>	<b>2,964,671</b>	<b>2,382,786</b>	<b>-</b>	<b>5,347,457</b>
<b>Charity</b>				
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	2,708,984	2,742,048	-	5,451,032
<b>Total funds</b>	<b>2,708,984</b>	<b>2,742,048</b>	<b>-</b>	<b>5,451,032</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2025****21 Analysis of net assets between funds: prior year**

<b>Group</b>	<b>Intangible &amp; tangible fixed assets £</b>	<b>Net current assets £</b>	<b>Long term liabilities £</b>	<b>Total £</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	1,967,251	4,018,236	-	5,985,487
<b>Total funds</b>	<b>1,967,251</b>	<b>4,018,236</b>	<b>-</b>	<b>5,985,487</b>

<b>Charity</b>	<b>Intangible &amp; tangible fixed assets £</b>	<b>Net current assets £</b>	<b>Long term liabilities £</b>	<b>Total £</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	1,834,667	4,279,324	-	6,113,991
<b>Total funds</b>	<b>1,834,667</b>	<b>4,279,324</b>	<b>-</b>	<b>6,113,991</b>

**22 Control and related party transactions (including key management personnel)**

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £164,879 (2024: £151,501), including pension contributions of £20,332 (2024: £19,760), for their role as CEO.

During the year, 2 trustees were reimbursed £6,128 (2024: 2 trustees reimbursed £443) for expenses incurred.

Key management personnel of the company received total remuneration of £382,755 (2024: £385,551) for the financial period.

There are no further disclosable related party transactions for the charity.

**23 Company limited by guarantee**

Every member guarantees, in the event of the charitable company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charitable company while the contributor was a member.

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2024



## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CHARITY REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 JULY 2024**

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascentis House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson R Davies A Rushton J Robinson W Robinson M McTague
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA 14 Mannin Way Lancaster Lancashire LA1 3SW

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2024. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Reference and administrative details**

Reference and administrative details are shown on page 2 of these financial statements.

#### **The trustees**

The trustees who served the charity during the period were as follows:

S Carlisle  
P C Wilkinson  
A Bolton (resigned 21 June 2024)  
R Davies  
P Rowe (resigned 15 March 2024)  
A Rushton  
J Robinson  
W Robinson  
M McTague

#### **Structure, governance and management**

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a minimum of 5 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Group Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis, and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees
- User guide and activation account for OnBoard

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the Group CEO, who meets formally with his executive team on a regular basis.

#### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, except to its own subsidiaries.

#### **Aims, objectives and activities.**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge and acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia, dyscalculia and mental health and well-being intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strengths and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia, dyscalculia and mental health software provision to schools across UK and overseas, in particular, the UAE; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure with appropriate investment; to maintain strong financial health; to keep our staff safe and well and to protect the charity as far as possible against the impact of high inflation.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and overseas, and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the very reasonable financial performance despite the significant impact of the cost-of-living crisis. Group income increased very significantly over the previous year and the modest operating deficit was broadly in line with the target.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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## **STRATEGIC REPORT**

### **Achievements and performance**

This is Ascentis' fifteenth year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia, dyscalculia and mental health intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This sound staffing and IT infrastructure have enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

### **Financial review**

#### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2024/2025 is approximately £7m and therefore, the target reserves are between £2.3m and £5.2m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2024 were £6m. After allowing for funds that can only be realised on disposal of a fixed assets (£2m), remaining free reserves are £4m, which remains in line with the above policy. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the Northwest into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

#### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia, dyscalculia and mental health intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

### **Plans for future periods.**

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved impressive further growth in turnover in the year despite the significant impact of the cost-of-living crisis and restricted the operating deficit to a modest figure despite significant in-year investment.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth. The impact of negative funding policy will be mitigated by further growth of qualifications not in scope of funding policy reviews and growth of the subsidiary, IDLS.

The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 5-year period to 2029. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges, and employers with the optimum level of customer support. Simultaneously, the Dyslexia, Dyscalculia and Mental Health Intervention Support service delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets and new products will be developed for launch in the USA from August 2025. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2024-25 year are as follows:

1. **Financial Health:** Achievement of significant growth in income and a break-even position, before any future-proofing investments.
2. **Product Development:** Development and maintenance of a qualifications portfolio and supporting learning materials that are aligned with Government policy, focused on our proven strengths, and that meet the needs of local, regional, national, and international stakeholders.
3. **Intervention Software support service:** Expansion of dyslexia, dyscalculia, and wellbeing products across the UK and overseas, delivered through the subsidiary, IDLS Ltd. and development of specific products for the US market.
4. **Governance:** Compliance with Companies House and Charity Commission requirements.
5. **Regulatory Compliance and Quality Assurance:** Maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
6. **People and Culture:** Effective Human Resources structure supported by rigorous performance management and targeted staff development.
7. **Systems and Physical Infrastructure:** Effective maintenance and development of systems, IT and accommodation.

#### **Principal risks and uncertainties**

##### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. An additional more recent risk relates to the recruitment and retention of staff, with the charity having to compete with larger companies offering increased salaries and the option for homeworking. Currently, all risks are being successfully managed.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **Responsibilities of the trustees**

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Following the merger of MHA Moore and Smalley and MHA, the company's independent auditor has now become MHA. MHA have indicated their willingness to be reappointed as statutory auditors.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

#### **Approval**

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

*P Wilkinson*

**Mr P C Wilkinson**  
**Trustee**

December 18, 2024  
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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2024**

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#### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

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#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- Auditing the risk of fraud in income by way of cut off testing, testing the deferral of income, as well as income transaction testing to obtain evidence that revenue is complete and recognised in the correct accounting period;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2024**

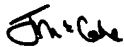
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**Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Jenny McCabe FCA**

(Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor  
Lancaster, United Kingdom

December 20, 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 JULY 2024**

		Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Charitable activities	3	6,727,131	-	6,727,131	5,842,939
Investments	4	68,252	-	68,252	40,119
Other	5	-	-	-	958
<b>Total</b>		<b>6,795,383</b>	<b>-</b>	<b>6,795,383</b>	<b>5,884,016</b>
<b>Expenditure on:</b>					
Charitable activities	6	6,861,534	-	6,861,534	6,167,438
<b>Total</b>		<b>6,861,534</b>	<b>-</b>	<b>6,861,534</b>	<b>6,167,438</b>
<b>Net (expenditure)/income</b>	<b>8</b>	<b>(66,151)</b>	<b>-</b>	<b>(66,151)</b>	<b>(283,422)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(66,151)</b>	<b>-</b>	<b>(66,151)</b>	<b>(283,422)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,051,638	-	6,051,638	6,335,060
<b>Total funds carried forward</b>		<b>5,985,487</b>	<b>-</b>	<b>5,985,487</b>	<b>6,051,638</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 34 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2024

		Unrestricted funds £	Restricted funds £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Charitable activities	3	5,143,720	-	5,143,720	4,710,144
Investments	4	68,252	-	68,252	40,119
Other	5	18,160	-	18,160	24,169
<b>Total</b>		<b>5,230,132</b>	<b>-</b>	<b>5,230,132</b>	<b>4,774,432</b>
<b>Expenditure on:</b>					
Charitable activities	6	5,427,904	-	5,427,904	4,905,876
<b>Total</b>		<b>5,427,904</b>	<b>-</b>	<b>5,427,904</b>	<b>4,905,876</b>
<b>Net (expenditure)/income</b>	<b>8</b>	<b>(197,772)</b>	<b>-</b>	<b>(197,772)</b>	<b>(131,444)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(197,772)</b>	<b>-</b>	<b>(197,772)</b>	<b>(131,444)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,311,763	-	6,311,763	6,443,207
<b>Total funds carried forward</b>		<b>6,113,991</b>	<b>-</b>	<b>6,113,991</b>	<b>6,311,763</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 34 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED BALANCE SHEET**

**AS AT 31 JULY 2024**

		2024	2023
		£	£
<b>Fixed assets</b>			
Tangible assets	10	1,147,097	1,321,105
Intangible assets	11	820,154	595,411
		<u>1,967,251</u>	<u>1,916,516</u>
<b>Current assets</b>			
Debtors	12	887,893	547,599
Cash at bank and in hand		3,844,801	4,263,748
		<u>4,732,694</u>	<u>4,811,347</u>
<b>Creditors:</b> amounts falling due within one year	14	(714,458)	(676,225)
<b>Net current assets</b>		<u>4,018,236</u>	<u>4,135,122</u>
<b>Total assets less current liabilities</b>		<u>5,985,487</u>	<u>6,051,638</u>
<b>Provisions for liabilities</b>		-	-
<b>Net assets</b>		<u>5,985,487</u>	<u>6,051,638</u>
<b>Funds:</b>			
Unrestricted funds	16	5,985,487	6,051,638
<b>Total funds</b>		<u>5,985,487</u>	<u>6,051,638</u>

These accounts were approved by the members of the committee and authorised for issue on the December 18, 2024 and are signed on their behalf by:

*P Wilkinson*

Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 17 to 34 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CHARITY BALANCE SHEET**

**AS AT 31 JULY 2024**

		2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10	1,140,685		1,321,105	
Intangible assets	11	693,982		461,694	
			<b>1,834,667</b>		<b>1,782,799</b>
<b>Current assets</b>					
Debtors	12	1,182,428		967,183	
Investments	13	2		2	
Cash at bank and in hand		3,773,548		4,220,333	
			<b>4,955,978</b>		<b>5,187,518</b>
<b>Creditors: amounts falling due within one year</b>	14	<b>(676,654)</b>		<b>(658,554)</b>	
<b>Net current assets</b>			<b>4,279,324</b>		<b>4,528,964</b>
<b>Total assets less current liabilities</b>			<b>6,113,991</b>		<b>6,311,763</b>
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			<b>6,113,991</b>		<b>6,311,763</b>
<b>Funds:</b>					
Unrestricted funds	16	6,113,991		6,311,763	
<b>Total funds</b>			<b>6,113,991</b>		<b>6,311,763</b>

These accounts were approved by the members of the committee and authorised for issue on December 18, 2024 and are signed on their behalf by:

*P Wilkinson*  
 .....  
**Mr P C Wilkinson**  
 Trustee

Company Registration Number: 06799564

The notes on pages 17 to 34 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

	Group 2024 Total £	Group 2023 Total £	Charity 2024 Total £	Charity 2023 Total £
<b>Cash (used)/generated in operating activities</b>	<b>(91,352)</b>	<b>(77,620)</b>	<b>(151,735)</b>	<b>(202,167)</b>
<b>Cashflows from investing activities</b>				
Investment income	68,252	40,119	68,252	40,119
Purchase of tangible fixed assets	(66,784)	(95,324)	(60,372)	(95,324)
Purchase of intangible fixed assets	(329,063)	(446,247)	(302,930)	(315,250)
<b>Cash used in investing activities</b>	<b>(327,595)</b>	<b>(501,452)</b>	<b>(295,050)</b>	<b>(370,455)</b>
<b>(Decrease)/increase in cash and cash equivalents in the year</b>	<b>(418,947)</b>	<b>(579,072)</b>	<b>(446,785)</b>	<b>(572,622)</b>
Cash and cash equivalents brought forward	4,263,748	4,842,820	4,220,333	4,792,955
<b>Cash and cash equivalents carried forward</b>	<b>3,844,801</b>	<b>4,263,748</b>	<b>3,773,548</b>	<b>4,220,333</b>
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	(66,151)	(283,422)	(197,772)	(131,444)
Investment income received	(68,252)	(40,119)	(68,252)	(40,119)
Depreciation and amortisation	339,908	324,475	311,434	295,595
(Increase)/decrease in debtors	(340,294)	(69,211)	(215,245)	(335,581)
Increase/(decrease) in creditors	38,233	(9,343)	18,100	9,382
Loss on disposal of fixed assets	5,204	-	-	-
<b>Net cash (used)/generated in operating activities</b>	<b>(91,352)</b>	<b>(77,620)</b>	<b>(151,735)</b>	<b>(202,167)</b>
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	3,844,801	4,263,748	3,773,548	4,220,333
	<b>3,844,801</b>	<b>4,263,748</b>	<b>3,773,548</b>	<b>4,220,333</b>

The notes on pages 17 to 34 form part of these financial statements.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024**

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#### **1 Accounting policies**

##### **Legal form**

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

##### **Basis of preparation**

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis ("the Charity") and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd. The results of the subsidiaries are consolidated on a line by line basis.

##### **Preparation of the accounts on a going concern basis**

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDLS Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

VAL income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

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#### 1 Accounting policies (continued)

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 7 years
Motor vehicles	-	3 years
Property improvements	-	5 to 15 years

#### Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset once brought into use as follows:

Website costs	-	3 years
Development costs	-	3 to 5 years
Intellectual property	-	10 years

#### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

#### Cash and cash equivalents

Cash balances represent cash in hand and deposits held at banks and building societies.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **1 Accounting policies (continued)**

##### **Debtors and creditors within one year**

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Fund accounting**

###### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

###### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

##### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

##### **Pensions**

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

##### **Redundancy costs**

Redundancy costs are expensed when the liability for payment of such costs is incurred.

##### **Taxation**

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **1 Accounting policies (continued)**

##### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

##### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

##### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **1 Accounting policies (continued)**

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **2 Judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Key assumptions, judgements and estimates**

###### **Income recognition**

As stated in the accounting policies on page 17, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

There have been no other key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

#### 3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Awarding qualification income	5,143,720	-	5,143,720	4,710,144
IDLS income	1,583,411	-	1,583,411	1,132,795
	<b>6,727,131</b>	<b>-</b>	<b>6,727,131</b>	<b>5,842,939</b>
<b>Charity</b>				
Awarding qualification income	5,143,720	-	5,143,720	4,710,144
	<b>5,143,720</b>	<b>-</b>	<b>5,143,720</b>	<b>4,710,144</b>

All income from charitable activities in the comparative period was unrestricted.

#### 4 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Bank interest receivable	68,252	-	68,252	40,119
	<b>68,252</b>	<b>-</b>	<b>68,252</b>	<b>40,119</b>

All income from investments in the comparative period was unrestricted.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

#### 5 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Grant income	-	-	-	958
	-	-	-	958

Charity	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Grant income	-	-	-	2,954
Interest on group loan	18,160	-	18,160	21,215
	18,160	-	18,160	24,169

All other income in the comparative period was unrestricted.

#### 6 Expenditure on charitable activities

Group	Promotion of education and training		Total 2024 £	Total 2023 £
	Unrestricted £	Restricted £		
Costs of generating awarding qualification income	2,883,722	-	2,883,722	2,681,673
Costs of generating IDLS income	958,023	-	958,023	778,792
Support costs (see note 7)	3,019,789	-	3,019,789	2,706,973
	6,861,534	-	6,861,534	6,167,438

Charity	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Costs of generating awarding qualification income	2,889,907	-	2,889,907	2,560,487
Support costs (see note 7)	2,537,997	-	2,537,997	2,345,389
	5,427,904	-	5,427,904	4,905,876

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2024****6 Expenditure on charitable activities (continued)**

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity.

**7 Support costs**

<b>Group</b>	<b>Charitable activities £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Wages and salaries	1,319,680	<b>1,319,680</b>	1,050,812
Rent	258,758	<b>258,758</b>	301,481
Rates and water	20,547	<b>20,547</b>	23,134
Light and heat	34,878	<b>34,878</b>	34,874
Repairs and maintenance	75,195	<b>75,195</b>	91,406
Insurance	39,933	<b>39,933</b>	40,522
Health and safety	10,536	<b>10,536</b>	4,861
Consultancy fees	72,570	<b>72,570</b>	67,985
Telephone	8,362	<b>8,362</b>	9,338
Advertising	-	-	290
Printing, postage and stationary	4,829	<b>4,829</b>	5,153
Depreciation	240,792	<b>240,792</b>	235,550
Amortisation	99,116	<b>99,116</b>	61,375
Information Technology	556,684	<b>556,684</b>	445,356
Conference costs	49,054	<b>49,054</b>	46,901
Sundry expenses	153,529	<b>153,529</b>	153,584
Bank charges	13,292	<b>13,292</b>	5,121
Bad debts	(279)	<b>(279)</b>	51,864
Loss on disposal of fixed assets	5,204	<b>5,204</b>	-
Profit on foreign exchange	(2)	<b>(2)</b>	12
Accountancy fees	17,286	<b>17,286</b>	14,128
Audit Fees	19,740	<b>19,740</b>	18,450
Legal fees	18,046	<b>18,046</b>	44,015
Professional subscriptions	2,039	<b>2,039</b>	761
<b>Total support costs for group</b>	<b>3,019,789</b>	<b>3,019,789</b>	<b>2,706,973</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2024****7 Support costs (continued)**

Charity	Charitable activities £	Total 2024 £	Total 2023 £
Wages and salaries	1,098,564	<b>1,098,564</b>	854,570
Rent	191,881	<b>191,881</b>	301,481
Rates and water	20,547	<b>20,547</b>	23,134
Light and heat	34,878	<b>34,878</b>	34,874
Repairs and maintenance	50,079	<b>50,079</b>	91,405
Insurance	29,950	<b>29,950</b>	40,271
Health and safety	10,536	<b>10,536</b>	4,861
Consultancy fees	72,570	<b>72,570</b>	67,985
Telephone	8,362	<b>8,362</b>	9,338
Printing, postage and stationary	4,829	<b>4,829</b>	5,153
Depreciation	240,792	<b>240,792</b>	235,550
Amortisation	70,642	<b>70,642</b>	60,045
Information Technology	442,265	<b>442,265</b>	380,482
Conference costs	49,054	<b>49,054</b>	46,901
Sundry expenses	147,410	<b>147,410</b>	88,385
Bank charges	6,455	<b>6,455</b>	2,733
Bad debts	(11,160)	<b>(11,160)</b>	41,157
Accountancy fees	13,576	<b>13,576</b>	9,756
Audit Fees	13,375	<b>13,375</b>	12,500
Legal fees	1,676	<b>1,676</b>	34,808
Intercompany loan waived	41,716	<b>41,716</b>	-
<b>Total support costs for charity</b>	<b>2,537,997</b>	<b>2,537,997</b>	<b>2,345,389</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2024****8 Net income for the year**

	2024	2023
	£	£
<b>Net income is stated after charging:</b>		
<b>Group</b>		
Staff pension contributions	154,754	160,563
Auditors' remuneration		
- audit of the financial statements	19,740	18,450
Depreciation of tangible assets		
- owned by the group	240,792	235,550
Amortisation of intangible assets		
- owned by the group	99,116	61,375
<b>Charity</b>		
Staff pension contributions	124,641	127,037
Auditors' remuneration		
- audit of the financial statements	13,375	12,500
Depreciation of tangible assets		
- owned by the charity	240,792	235,550
Amortisation of intangible assets		
- owned by the charity	70,642	60,045

**9 Staff costs and emoluments**

	2024	2023
	£	£
<b>Total staff costs were as follows:</b>		
<b>Group</b>		
Wages and salaries	3,691,263	3,394,052
Social security costs	279,684	333,450
Pension costs	154,754	160,563
<b>Total group staff costs</b>	4,125,701	3,888,065
<b>Charity</b>		
Wages and salaries	2,761,056	2,666,741
Social security costs	212,754	264,588
Pension costs	124,641	127,037
<b>Total charity staff costs</b>	3,098,451	3,058,366

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2024**

**9 Staff costs and emoluments (continued)**

**Particulars of employees:**

The average head count number of staff employed by the group during the year was as follows:

	<b>2024</b>	2023
	<b>No</b>	No
Executive	<b>3</b>	3
Charitable	<b>73</b>	82
Support	<b>29</b>	23
IDLS	<b>23</b>	16
VAL	<b>-</b>	1
	<b>128</b>	125

The number of employees, whose remuneration for the year fell within the following bands, were:

	<b>2024</b>	2023
	<b>No</b>	No
£80,000 - £89,999	<b>1</b>	1
£90,000 - £99,999	<b>1</b>	1
£120,000-129,999	<b>-</b>	1
£130,000-139,999	<b>1</b>	-

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	<b>2024</b>	2023
	<b>No</b>	No
Accrued benefits under defined contribution pension schemes	<b>3</b>	3

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £39,027 (2023: £37,058).

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2024****10 Tangible fixed assets**

<b>Group</b>	<b>Leasehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Motor Vehicles £</b>	<b>Totals £</b>
<b>Cost</b>					
At 1 August 2023	926,257	535,627	259,664	98,000	1,819,548
Additions	7,916	-	48,701	10,167	66,784
Disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b>934,173</b>	<b>535,627</b>	<b>308,365</b>	<b>108,167</b>	<b>1,886,332</b>
<b>Depreciation</b>					
At 1 August 2023	168,466	172,269	143,429	14,279	498,443
Charge for the year	80,920	76,668	70,964	12,240	240,792
Eliminated on disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b>249,386</b>	<b>248,937</b>	<b>214,393</b>	<b>26,519</b>	<b>739,235</b>
<b>Net book value</b>					
<b>At 31 July 2024</b>	<b>684,787</b>	<b>286,690</b>	<b>93,972</b>	<b>81,648</b>	<b>1,147,097</b>
At 31 July 2023	757,791	363,358	116,235	83,721	1,321,105
<b>Charity</b>					
<b>Cost</b>					
At 1 August 2023	926,257	535,627	259,664	98,000	1,819,548
Additions	7,916	-	42,289	10,167	60,372
Disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b>934,173</b>	<b>535,627</b>	<b>301,953</b>	<b>108,167</b>	<b>1,879,920</b>
<b>Depreciation</b>					
At 1 August 2023	168,466	172,269	143,429	14,279	498,443
Charge for the year	80,920	76,668	70,964	12,240	240,792
Eliminated on disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b>249,386</b>	<b>248,937</b>	<b>214,393</b>	<b>26,519</b>	<b>739,235</b>
<b>Net book value</b>					
<b>At 31 July 2024</b>	<b>684,787</b>	<b>286,690</b>	<b>87,560</b>	<b>81,648</b>	<b>1,140,685</b>
At 31 July 2023	757,791	363,358	116,235	83,721	1,321,105

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2024**

**11 Intangible assets**

**Group**

	<b>Software costs</b>	<b>Development costs</b>	<b>Intellectual property</b>	<b>Other intangible assets</b>	<b>Totals</b>
<b>Cost</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2023	439,070	163,056	136,800	60,419	799,345
Additions	227,280	25,000	60,000	16,783	329,063
Disposals	-	-	-	(5,204)	(5,204)
<b>At 31 July 2024</b>	<b>666,350</b>	<b>188,056</b>	<b>196,800</b>	<b>71,998</b>	<b>1,123,204</b>
<b>Amortisation</b>					
At 1 August 2023	163,344	-	-	40,590	203,934
Charge for the year	67,171	22,778	-	9,167	99,116
Eliminated on disposal	-	-	-	-	-
<b>At 31 July 2024</b>	<b>230,515</b>	<b>22,778</b>	<b>-</b>	<b>49,757</b>	<b>303,050</b>
<b>Net book value</b>					
<b>At 31 July 2024</b>	<b>435,835</b>	<b>165,278</b>	<b>196,800</b>	<b>22,241</b>	<b>820,154</b>
At 31 July 2023	275,726	163,056	136,800	19,829	595,411

**Charity**

	<b>Software costs</b>	<b>Development costs</b>	<b>Intellectual property</b>	<b>Other intangible assets</b>	<b>Totals</b>
<b>Cost</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2023	439,070	49,168	136,800	19,870	644,908
Additions	227,280	-	60,000	15,650	302,930
Disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b>666,350</b>	<b>49,168</b>	<b>196,800</b>	<b>35,520</b>	<b>947,838</b>
<b>Amortisation</b>					
At 1 August 2023	163,344	-	-	19,870	183,214
Charge for the year	67,171	-	-	3,471	70,642
Eliminated on disposal	-	-	-	-	-
<b>At 31 July 2024</b>	<b>230,515</b>	<b>-</b>	<b>-</b>	<b>23,341</b>	<b>253,856</b>
<b>Net book value</b>					
<b>At 31 July 2024</b>	<b>435,835</b>	<b>49,168</b>	<b>196,800</b>	<b>12,179</b>	<b>693,982</b>
At 31 July 2023	275,726	49,168	136,800	-	461,694

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2024**

**12 Debtors**

	<b>Group 2024</b>	Group 2023	<b>Charity 2024</b>	Charity 2023
	£	£	£	£
Trade debtors	<b>633,287</b>	233,967	<b>524,781</b>	172,031
Amounts owed by group undertakings	-	-	<b>429,291</b>	503,294
Prepayments and accrued income	<b>250,825</b>	313,125	<b>225,486</b>	291,351
Other debtors	<b>3,781</b>	507	<b>2,870</b>	507
	<b>887,893</b>	547,599	<b>1,182,428</b>	967,183

**13 Investments**

<b>Charity</b>	<b>2024</b>	2023
	£	£
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	2	2
<b>Total investments carried forward</b>	<b>2</b>	<b>2</b>

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Limited. Both companies are incorporated in England and Wales.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2024**

**14 Creditors: amounts falling due within one year**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	211,556	77,061	191,262	77,051
Other taxation and social security	133,123	122,327	133,123	122,327
Other creditors	43,413	36,477	31,828	30,675
Accruals and deferred income	326,366	440,360	320,441	428,501
	<b>714,458</b>	<b>676,225</b>	<b>676,654</b>	<b>658,554</b>

<b>Deferred income</b>	<b>2024</b> £	<b>2023</b> £
Balance brought forward	207,225	242,700
Release of deferred income	(207,225)	(242,700)
Income deferred to 2024-25	200,489	207,225
	<b>200,489</b>	<b>207,225</b>

**15 Commitments under operating leases**

<b>Group</b>	<b>2024</b> Land and Buildings £	<b>2024</b> Other items £	<b>2023</b> Land and Buildings £	<b>2023</b> Other items £
Within 1 year	262,500	34,499	262,500	33,711
Within 2 to 5 years	1,312,500	35,224	1,312,500	5,793
After more than 5 years	1,443,750	-	1,706,250	-
	<b>3,018,750</b>	<b>69,723</b>	<b>3,281,250</b>	<b>39,504</b>

<b>Charity only</b>	<b>2024</b> Land and Buildings £	<b>2024</b> Other items £	<b>2023</b> Land and Buildings £	<b>2023</b> Other items £
Within 1 year	262,500	34,499	262,500	33,711
Within 2 to 5 years	1,312,500	35,224	1,312,500	5,793
After more than 5 years	1,443,750	-	1,706,250	-
	<b>3,018,750</b>	<b>69,723</b>	<b>3,281,250</b>	<b>39,504</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2024****16 Unrestricted income funds: current year**

	At 1 August 2023 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2024 £
<b>Group</b>					
Designated Funds	212,339	-	-	(212,339)	-
General Funds	5,839,299	6,795,383	(6,861,534)	212,339	5,985,487
<b>Unrestricted funds</b>	<b>6,051,638</b>	<b>6,795,383</b>	<b>(6,861,534)</b>	<b>-</b>	<b>5,985,487</b>
<b>Charity</b>					
Designated Funds	212,339	-	-	(212,339)	-
General Funds	6,099,424	5,230,132	(5,427,904)	212,339	6,113,991
<b>Unrestricted funds</b>	<b>6,311,763</b>	<b>5,230,132</b>	<b>(5,427,904)</b>	<b>-</b>	<b>6,113,991</b>

The Trustees created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance this year has been reduced to nil this year as there is no shortfall and the member is fully underwritten.

**17 Unrestricted income funds: prior year**

	At 1 August 2022 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2023 £
<b>Group</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,150,214	5,884,016	(6,167,438)	(27,493)	5,839,299
<b>Unrestricted funds</b>	<b>6,335,060</b>	<b>5,884,016</b>	<b>(6,167,438)</b>	<b>-</b>	<b>6,051,638</b>
<b>Charity</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,258,361	4,774,432	(4,905,876)	(27,493)	6,099,424
<b>Unrestricted funds</b>	<b>6,443,207</b>	<b>4,774,432</b>	<b>(4,905,876)</b>	<b>-</b>	<b>6,311,763</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2024**

**18 Analysis of net assets between funds: current year**

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	1,967,251	4,018,236	-	5,985,487
<b>Total funds</b>	<b>1,967,251</b>	<b>4,018,236</b>	<b>-</b>	<b>5,985,487</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	-	-	-
General Funds	1,834,667	4,279,324	-	6,113,991
<b>Total funds</b>	<b>1,834,667</b>	<b>4,279,324</b>	<b>-</b>	<b>6,113,991</b>

**19 Analysis of net assets between funds: prior year**

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,916,516	3,922,783	-	5,839,299
<b>Total funds</b>	<b>1,916,516</b>	<b>4,135,122</b>	<b>-</b>	<b>6,051,638</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,782,799	4,316,625	-	6,099,424
<b>Total funds</b>	<b>1,782,799</b>	<b>4,528,964</b>	<b>-</b>	<b>6,311,763</b>

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2024**

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#### **20 Control and related party transactions (including key management personnel)**

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £151,501 (2023: £143,332), including pension contributions of £19,760 (2023: £17,757), for their role as CEO.

During the year, 2 trustees were reimbursed £443 (2023: 2 trustees reimbursed £382) for expenses incurred.

Key management personnel of the company received total remuneration of £385,551 (2023: £377,355) for the financial period.

There are no further disclosable related party transactions for the charity.

#### **21 Company limited by guarantee**

Every member guarantees, in the event of the charitable company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charitable company while the contributor was a member.

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2023



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# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 JULY 2023**

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascenits House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson A Bolton R Davies P Rowe A Rushton J Robinson W Robinson M McTague
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 JULY 2023

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2023. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Reference and administrative details

Reference and administrative details are shown on page 2 of these financial statements.

### The trustees

The trustees who served the charity during the period were as follows:

S Carlisle  
P C Wilkinson  
A Bolton  
R Davies  
P Rowe  
A Rushton  
J Robinson  
W Robinson  
M McTague

### Structure, governance and management

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a minimum of 5 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Group Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis, and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- *Annual report and accounts*
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees
- User guide and activation account for OnBoard

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2023**

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##### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the Group CEO, who meets formally with his executive team on a regular basis.

##### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, except to its own subsidiaries.

##### **Aims, objectives and activities.**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge and acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia, dyscalculia and mental health and well-being intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strengths and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia, dyscalculia and mental health software provision to schools across UK and overseas, in particular, the UAE; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure with appropriate investment; to maintain strong financial health; to keep our staff safe and well and to protect the charity as far as possible against the impact of the significant increase in inflation.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and overseas, and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the very reasonable financial performance despite the significant impact of the cost-of-living crisis. Group income increased over the previous year and the operating deficit was broadly in line with the target.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### STRATEGIC REPORT

#### Achievements and performance

This is Ascentis' fourteenth year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia, dyscalculia and mental health intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This included a systematic review and revision of remuneration across the Group to enhance staff recruitment and retention. This sound staffing and IT infrastructure have enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

#### Financial review

##### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2023/2024 is approximately £6.7m and therefore, the target reserves are between £2.2m and £5m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2023 were £6.1m. After allowing for funds that can only be realised on disposal of a fixed assets (£1.9m) and the designated reserve (£212k), remaining free reserves are £4m, which remains in line with the above policy. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

##### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia, dyscalculia and mental health intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

#### Plans for future periods.

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved further growth in turnover in the year despite the significant impact of the cost of living crisis and restricted the operating deficit to a broadly planned level despite significant in-year investment.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 JULY 2023**

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The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth. The impact of negative funding policy will be mitigated by further growth of qualifications not in scope of funding policy reviews, growth of the subsidiary IDLS and the start-up of a second subsidiary, the Virtual Academy Ltd, as an online training organisation.

The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 5-year period to 2028. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges, and employers with the optimum level of customer support. Simultaneously, the Dyslexia, Dyscalculia and Mental Health Intervention Support service delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets and a new online training organisation will commence operations. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2023-24 year are as follows:

1. **Financial Health:** Achievement of significant growth in income and a break-even position, before any future-proofing investments.
2. **Product Development:** Development and maintenance of a qualifications portfolio and supporting learning materials that are aligned with Government policy, focused on our proven strengths, and that meet the needs of local, regional, national, and international stakeholders.
3. **Intervention Software support service:** Expansion of dyslexia, dyscalculia, and wellbeing products across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. **Training:** Provision of online training delivered through the subsidiary Virtual Academy Ltd.
5. **Governance:** Compliance with Companies House and Charity Commission requirements.
6. **Regulatory Compliance and Quality Assurance:** Maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
7. **People and Culture:** Effective Human Resources structure supported by rigorous performance management and targeted staff development.
8. **Systems and Physical Infrastructure:** Effective maintenance and development of systems, IT and accommodation.

#### **Principal risks and uncertainties**

##### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. An additional new risk relates to the recruitment and retention of staff, with the charity having to compete with larger companies offering increased salaries and the option for home-working. Currently, all risks are being successfully managed.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### Responsibilities of the trustees

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

MHA Moore and Smalley are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

### Approval

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

*Phil Wilkinson*

**Mr P C Wilkinson**  
**Trustee**

07/12/2023  
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# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2023**

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### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- Auditing the risk of fraud in income by way of cut off testing, testing the deferral of income, as well as income transaction testing to obtain evidence that revenue is complete and recognised in the correct accounting period;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with Ofqual and QAA regulations, General Data Protection Regulation, employment law, and compliance with the UK Companies Act and Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**


**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.



**Jenny McCabe (Senior Statutory Auditor)**

**For and on behalf of**

**MHA Moore and Smalley**

**Chartered Accountants and Statutory Auditor**

Priory Close  
St Mary's Gate  
Lancaster  
LA1 1XB

Date: 14/12/2023

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2023

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	5,842,939	-	5,842,939	5,548,531
Investments	5	40,119	-	40,119	2,747
Other	6	958	-	958	52,588
<b>Total</b>		<b>5,884,016</b>	<b>-</b>	<b>5,884,016</b>	<b>5,603,866</b>
<b>Expenditure on:</b>					
Charitable activities	7	6,167,438	-	6,167,438	5,361,692
<b>Total</b>		<b>6,167,438</b>	<b>-</b>	<b>6,167,438</b>	<b>5,361,692</b>
<b>Net (expenditure)/income</b>	<b>9</b>	<b>(283,422)</b>	<b>-</b>	<b>(283,422)</b>	<b>242,174</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(283,422)</b>	<b>-</b>	<b>(283,422)</b>	<b>242,174</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,335,060	-	6,335,060	6,092,886
<b>Total funds carried forward</b>		<b>6,051,638</b>	<b>-</b>	<b>6,051,638</b>	<b>6,335,060</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 34 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2023

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	4,710,144	-	4,710,144	4,490,802
Trading income	4	-	-	-	87,501
Investments	5	40,119	-	40,119	2,747
Other	6	24,169	-	24,169	36,913
<b>Total</b>		<b>4,774,432</b>	<b>-</b>	<b>4,774,432</b>	<b>4,617,963</b>
<b>Expenditure on:</b>					
Charitable activities	7	4,905,876	-	4,905,876	4,180,549
<b>Total</b>		<b>4,905,876</b>	<b>-</b>	<b>4,905,876</b>	<b>4,180,549</b>
<b>Net (expenditure)/income</b>	<b>9</b>	<b>(131,444)</b>	<b>-</b>	<b>(131,444)</b>	<b>437,414</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(131,444)</b>	<b>-</b>	<b>(131,444)</b>	<b>437,414</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,443,207	-	6,443,207	6,005,793
<b>Total funds carried forward</b>		<b>6,311,763</b>	<b>-</b>	<b>6,311,763</b>	<b>6,443,207</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 34 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2023

		2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,321,105		1,695,370	
Intangible assets	12	595,411		4,050	
			<b>1,916,516</b>		<b>1,699,420</b>
<b>Current assets</b>					
Debtors	13	547,599		478,388	
Cash at bank and in hand		4,263,748		4,842,820	
			<b>4,811,347</b>		<b>5,321,208</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(676,225)</b>		<b>(685,568)</b>	
<b>Net current assets</b>			<b>4,135,122</b>		<b>4,635,640</b>
<b>Total assets less current liabilities</b>			<b>6,051,638</b>		<b>6,335,060</b>
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			<b>6,051,638</b>		<b>6,335,060</b>
<b>Funds:</b>					
Unrestricted funds	17	6,051,638		6,335,060	
<b>Total funds</b>			<b>6,051,638</b>		<b>6,335,060</b>

These accounts were approved by the members of the committee and authorised for issue on the 07/12/2023..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
Trustee

**Company Registration Number: 06799564**

The notes on pages 17 to 34 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CHARITY BALANCE SHEET

AS AT 31 JULY 2023

		2023	2022
		£	£
<b>Fixed assets</b>			
Tangible assets	11	1,321,105	1,695,370
Intangible assets	12	461,694	4,050
		<hr/>	<hr/>
		1,782,799	1,699,420
<b>Current assets</b>			
Debtors	13	967,183	600,002
Investments	14	2	2
Cash at bank and in hand		4,220,333	4,792,955
		<hr/>	<hr/>
		5,187,518	5,392,959
<b>Creditors: amounts falling due within one year</b>	15	(658,554)	(649,172)
		<hr/>	<hr/>
<b>Net current assets</b>		4,528,964	4,743,787
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		6,311,763	6,443,207
		<hr/>	<hr/>
<b>Provisions for liabilities</b>		-	-
		<hr/>	<hr/>
<b>Net assets</b>		6,311,763	6,443,207
		<hr/>	<hr/>
<b>Funds:</b>			
Unrestricted funds	17	6,311,763	6,443,207
		<hr/>	<hr/>
<b>Total funds</b>		6,311,763	6,443,207
		<hr/>	<hr/>

These accounts were approved by the members of the committee and authorised for issue on 07/12/2023 and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
Trustee

**Company Registration Number: 06799564**

The notes on pages 17 to 34 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS**

FOR THE YEAR END 31 JULY 2023

	<b>Group 2023 Total £</b>	<b>Group 2022 Total £</b>	<b>Charity 2023 Total £</b>	<b>Charity 2022 Total £</b>
<b>Cash (used)/generated in operating activities</b>	<b>(77,620)</b>	426,992	<b>(202,167)</b>	584,611
<b>Cashflows from investing activities</b>				
Investment income	<b>40,119</b>	2,747	<b>40,119</b>	2,747
Purchase of tangible fixed assets	<b>(95,324)</b>	(213,540)	<b>(95,324)</b>	(213,540)
Purchase of intangible fixed assets	<b>(446,247)</b>	(4,050)	<b>(315,250)</b>	(4,050)
Receipts from sale of fixed assets	-	51,000	-	51,000
<b>Cash used in investing activities</b>	<b>(501,452)</b>	(163,843)	<b>(370,455)</b>	(163,843)
<b>(Decrease)/increase in cash and cash equivalents in the year</b>	<b>(579,072)</b>	263,149	<b>(572,622)</b>	420,768
Cash and cash equivalents brought forward	<b>4,842,820</b>	4,579,671	<b>4,792,955</b>	4,372,187
<b>Cash and cash equivalents carried forward</b>	<b>4,263,748</b>	4,842,820	<b>4,220,333</b>	4,792,955
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	<b>(283,422)</b>	242,174	<b>(131,444)</b>	437,414
Investment income received	<b>(40,119)</b>	(2,747)	<b>(40,119)</b>	(2,747)
Depreciation and amortisation	<b>324,475</b>	277,400	<b>295,595</b>	277,400
(Increase)/decrease in debtors	<b>(69,211)</b>	67,007	<b>(335,581)</b>	20,502
(Decrease)/Increase in creditors	<b>(9,343)</b>	(155,278)	<b>9,382</b>	(146,394)
Loss on disposal of fixed assets	-	(1,564)	-	(1,564)
<b>Net cash (used)/generated in operating activities</b>	<b>(77,620)</b>	426,992	<b>(202,167)</b>	584,611
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	<b>4,263,748</b>	4,842,820	<b>4,220,333</b>	4,792,955
	<b>4,263,748</b>	4,842,820	<b>4,220,333</b>	4,792,955

The notes on pages 17 to 34 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies

#### Legal form

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

#### Basis of preparation

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis ("the Charity") and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd. The results of the subsidiaries are consolidated on a line by line basis.

#### Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDLS Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

VAL income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies (continued)

Government grants receivable represent income under the Kickstart Scheme which provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. Kickstart grants are recognised by the company for the period claims are made.

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 7 years
Motor vehicles	-	3 years
Property improvements	-	5 to 15 years

#### Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset once brought into use as follows:

Website costs	-	3 years
Development costs	-	3 to 5 years
Intellectual property	-	3 years

#### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

---

### 1 Accounting policies (continued)

#### **Cash and cash equivalents**

Cash balances represent cash in hand and deposits held at banks and building societies.

#### **Debtors and creditors within one year**

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **Fund accounting**

##### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

##### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

#### **Pensions**

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

#### **Redundancy costs**

Redundancy costs are expensed when the liability for payment of such costs is incurred.

#### **Taxation**

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies (continued)

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

#### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

#### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies (continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key assumptions, judgements and estimates**

##### **Income recognition**

As stated in the accounting policies on page 17, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

There have been no other key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Awarding qualification income	4,710,144	-	4,710,144	4,490,802
IDLS income	1,132,795	-	1,132,795	1,057,729
	<b>5,842,939</b>	<b>-</b>	<b>5,842,939</b>	<b>5,548,531</b>
<b>Charity</b>				
Awarding qualification income	4,710,144	-	4,710,144	4,490,802
	<b>4,710,144</b>	<b>-</b>	<b>4,710,144</b>	<b>4,490,802</b>

All income from charitable activities in the comparative period was unrestricted.

#### 4 Income from trading activities

Charity Only	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donation from trading subsidiary	-	-	-	87,501
	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,501</b>

All income from trading activities was unrestricted in the prior year.

#### 5 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Bank interest receivable	40,119	-	40,119	2,747
	<b>40,119</b>	<b>-</b>	<b>40,119</b>	<b>2,747</b>

All income from investments in the comparative period was unrestricted.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 6 Other income

Group	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Grant income	958	-	958	52,588
	<b>958</b>	<b>-</b>	<b>958</b>	<b>52,588</b>

Charity	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Grant income	2,954	-	2,954	33,088
Interest on group loan	21,215	-	21,215	3,825
	<b>24,169</b>	<b>-</b>	<b>24,169</b>	<b>36,913</b>

All other income in the comparative period was unrestricted.

#### 7 Expenditure on charitable activities

Group	Promotion of education and training		Total 2023	Total 2022
	Unrestricted £	Restricted £	£	£
Costs of generating awarding qualification income	2,681,673	-	2,681,673	2,083,840
Costs of generating IDLS income	778,792	-	778,792	667,033
Costs of generating VAL income	-	-	-	9,906
Support costs (see note 8)	2,706,973	-	2,706,973	2,600,913
	<b>6,167,438</b>	<b>-</b>	<b>6,167,438</b>	<b>5,361,692</b>

Charity	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Costs of generating awarding qualification income	2,560,487	-	2,560,487	1,969,419
Support costs (see note 8)	2,345,389	-	2,345,389	2,211,130
	<b>4,905,876</b>	<b>-</b>	<b>4,905,876</b>	<b>4,180,549</b>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 7 Expenditure on charitable activities (continued)

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity.

#### 8 Support costs

Group	Charitable activities £	Total 2023 £	Total 2022 £
Wages and salaries	1,050,812	1,050,812	1,034,900
Rent	301,481	301,481	298,230
Rates and water	23,134	23,134	(13,537)
Light and heat	34,874	34,874	54,145
Repairs and maintenance	91,406	91,406	99,297
Insurance	40,522	40,522	34,669
Health and safety	4,861	4,861	8,526
Consultancy fees	67,985	67,985	40,232
Telephone	9,338	9,338	11,344
Advertising	290	290	30
Printing, postage and stationary	5,153	5,153	7,977
Depreciation	235,550	235,550	273,537
Amortisation	61,375	61,375	3,863
Information Technology	445,356	445,356	493,912
Conference costs	46,901	46,901	22,584
Sundry expenses	153,584	153,584	107,169
Bank charges	5,121	5,121	5,112
Bad debts	51,864	51,864	7,226
Profit on disposal of fixed assets	-	-	(1,564)
Profit on foreign exchange	12	12	(357)
Accountancy fees	14,128	14,128	21,133
Audit Fees	18,450	18,450	15,225
Legal fees	44,015	44,015	60,105
Professional subscriptions	761	761	4,467
Research and development costs	-	-	12,688
<b>Total support costs for group</b>	<b>2,706,973</b>	<b>2,706,973</b>	<b>2,600,913</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****8 Support costs (continued)**

<b>Charity</b>	<b>Charitable activities</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	854,570	<b>854,570</b>	844,854
Rent	301,481	<b>301,481</b>	298,230
Rates and water	23,134	<b>23,134</b>	(13,537)
Light and heat	34,874	<b>34,874</b>	54,145
Repairs and maintenance	91,405	<b>91,405</b>	99,297
Insurance	40,271	<b>40,271</b>	34,482
Health and safety	4,861	<b>4,861</b>	8,526
Consultancy fees	67,985	<b>67,985</b>	40,232
Telephone	9,338	<b>9,338</b>	11,344
Printing, postage and stationary	5,153	<b>5,153</b>	7,977
Depreciation	235,550	<b>235,550</b>	273,537
Amortisation	60,045	<b>60,045</b>	3,863
Information Technology	380,482	<b>380,482</b>	381,171
Conference costs	46,901	<b>46,901</b>	22,584
Sundry expenses	88,385	<b>88,385</b>	45,900
Bank charges	2,733	<b>2,733</b>	2,329
Bad debts	41,157	<b>41,157</b>	7,816
Loss on disposal of fixed assets	-	-	(1,564)
Accountancy fees	9,756	<b>9,756</b>	16,845
Audit Fees	12,500	<b>12,500</b>	9,625
Legal fees	34,808	<b>34,808</b>	47,255
Intercompany loan waived	-	-	16,219
<b>Total support costs for charity</b>	<b>2,345,389</b>	<b>2,345,389</b>	<b>2,211,130</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 9 Net income for the year

<b>Net income is stated after charging:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Staff pension contributions	160,563	126,125
Auditors' remuneration		
- audit of the financial statements	18,450	15,225
Depreciation of tangible assets		
- owned by the group	235,550	273,537
Amortisation of intangible assets		
- owned by the group	<u>61,375</u>	<u>3,863</u>
<b>Charity</b>		
Staff pension contributions	127,037	96,438
Auditors' remuneration		
- audit of the financial statements	12,500	9,625
Depreciation of tangible assets		
- owned by the charity	235,550	273,537
Amortisation of intangible assets		
- owned by the charity	<u>60,045</u>	<u>3,863</u>

### 10 Staff costs and emoluments

<b>Total staff costs were as follows:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Wages and salaries	3,394,052	2,852,263
Social security costs	333,450	260,185
Pension costs	160,563	126,125
<b>Total group staff costs</b>	<u>3,888,065</u>	<u>3,238,573</u>
<b>Charity</b>		
Wages and salaries	2,666,741	2,215,770
Social security costs	264,588	194,977
Pension costs	127,037	96,438
<b>Total charity staff costs</b>	<u>3,058,366</u>	<u>2,507,185</u>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 10 Staff costs and emoluments (continued)

##### Particulars of employees:

The average head count number of staff employed by the group during the year was as follows:

	2023 No	2022 No
Executive	3	3
Charitable	82	84
Support	23	19
IDLS	16	17
VAL	1	1
	<u>125</u>	<u>124</u>

The number of employees, whose remuneration for the year fell within the following bands, were:

	2023 No	2022 No
£60,000 - £69,999	-	1
£80,000 - £89,999	1	1
£90,000 - £99,999	1	-
£110,000-119,999	-	1
£120,000-129,999	1	-
	<u>1</u>	<u>-</u>

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	2023 No	2022 No
Accrued benefits under defined contribution pension schemes	3	3
	<u>3</u>	<u>3</u>

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £19,444 (2022: £31,492).

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 11 Tangible fixed assets

Group and charity	Leasehold Property £	Fixtures & Fittings £	Equipment £	Motor Vehicles £	Totals £
<b>Cost</b>					
At 1 August 2022	890,791	535,627	579,092	98,000	2,103,510
Additions	35,466	-	59,858	-	95,324
Disposals	-	-	(40,529)	-	(40,529)
Transfer	-	-	(338,757)	-	(338,757)
<b>At 31 July 2023</b>	<b>926,257</b>	<b>535,627</b>	<b>259,664</b>	<b>98,000</b>	<b>1,819,548</b>
<b>Depreciation</b>					
At 1 August 2022	94,337	95,609	216,155	2,039	408,140
Charge for the year	74,129	76,660	72,521	12,240	235,550
Eliminated on disposals	-	-	(40,529)	-	(40,529)
Transfer	-	-	(104,718)	-	(104,718)
<b>At 31 July 2023</b>	<b>168,466</b>	<b>172,269</b>	<b>143,429</b>	<b>14,279</b>	<b>498,443</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>757,791</b>	<b>363,358</b>	<b>116,235</b>	<b>83,721</b>	<b>1,321,105</b>
At 31 July 2022	796,454	440,018	362,937	95,961	1,695,370

### 12 Intangible assets

Group	Software costs	Develop- ment costs £	Intellectual property £	Other intangible assets £	Totals £
<b>Cost</b>					
At 1 August 2022	-	-	-	43,310	43,310
Additions	129,282	163,056	136,800	17,109	446,247
Disposals	-	-	-	-	-
Transfer	309,788	-	-	-	309,788
<b>At 31 July 2023</b>	<b>439,070</b>	<b>163,056</b>	<b>136,800</b>	<b>60,419</b>	<b>799,345</b>
<b>Amortisation</b>					
At 1 August 2022	-	-	-	39,260	39,260
Charge for the year	60,045	-	-	1,330	61,375
Eliminated on disposal	-	-	-	-	-
Transfer	103,299	-	-	-	103,299
<b>At 31 July 2023</b>	<b>163,344</b>	<b>-</b>	<b>-</b>	<b>40,590</b>	<b>203,934</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>275,726</b>	<b>163,056</b>	<b>136,800</b>	<b>19,829</b>	<b>595,411</b>
At 31 July 2022	-	-	-	4,050	4,050

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

**12 Intangible assets (continued)**

<b>Charity</b>	<b>Software costs</b>	<b>Develop-ment costs</b>	<b>Intellectual property</b>	<b>Other intangible assets</b>	<b>Totals</b>
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2022	-	-	-	43,310	43,310
Additions	129,282	49,168	136,800	-	315,250
Disposals	(28,969)	-	-	(23,440)	(52,409)
Transfer	338,757	-	-	-	338,757
<b>At 31 July 2023</b>	<b>439,070</b>	<b>49,168</b>	<b>136,800</b>	<b>19,870</b>	<b>644,908</b>
<b>Amortisation</b>					
At 1 August 2022	-	-	-	39,260	39,260
Charge for the year	60,045	-	-	-	60,045
Eliminated on disposal	(1,419)	-	-	(19,390)	(20,809)
Transfer	104,718	-	-	-	104,718
<b>At 31 July 2023</b>	<b>163,344</b>	<b>-</b>	<b>-</b>	<b>19,870</b>	<b>183,214</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>275,726</b>	<b>49,168</b>	<b>136,800</b>	<b>-</b>	<b>461,694</b>
At 31 July 2022	-	-	-	4,050	4,050

During the year software previously included as tangible assets were transferred to intangible assets as demonstrated in notes 11 and 12. This is a reclassification between tangible assets and intangible assets and has no overall impact on the balance sheet.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 13 Debtors

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>Charity</b> <b>2023</b> £	Charity 2022 £
Trade debtors	<b>233,967</b>	255,900	<b>172,031</b>	181,541
Amounts owed by group undertakings	-	-	<b>503,294</b>	215,324
Prepayments and accrued income	<b>313,125</b>	221,008	<b>291,351</b>	201,657
Other debtors	<b>507</b>	1,480	<b>507</b>	1,480
	<b>547,599</b>	478,388	<b>967,183</b>	600,002

#### 14 Investments

<b>Charity</b>	<b>2023</b> £	2022 £
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	<b>2</b>	2
<b>Total investments carried forward</b>	<b>2</b>	2

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Limited. Both companies are incorporated in England and Wales.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 15 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	77,061	133,414	77,051	123,354
Other taxation and social security	122,327	93,476	122,327	93,476
Other creditors	36,477	27,879	30,675	15,038
Accruals and deferred income	440,360	430,799	428,501	417,304
	<b>676,225</b>	<b>685,568</b>	<b>658,554</b>	<b>649,172</b>

Deferred income	2023 £	2022 £
Balance brought forward	242,700	224,940
Release of deferred income	(242,700)	(224,940)
Income deferred to 2023-24	207,225	242,700
	<b>207,225</b>	<b>242,700</b>

#### 16 Commitments under operating leases

Group	2023 Land and Buildings £	2023 Other items £	2022 Land and Buildings £	2022 Other items £
Within 1 year	262,500	33,711	262,500	46,413
Within 2 to 5 years	1,312,500	5,793	1,312,500	24,646
After more than 5 years	1,706,250	-	1,968,750	-
	<b>3,281,250</b>	<b>39,504</b>	<b>3,543,750</b>	<b>71,059</b>

Charity only	2023 Land and Buildings £	2023 Other items £	2022 Land and Buildings £	2022 Other items £
Within 1 year	262,500	33,711	262,500	44,653
Within 2 to 5 years	1,312,500	5,793	1,312,500	24,646
After more than 5 years	1,706,250	-	1,968,750	-
	<b>3,281,250</b>	<b>39,504</b>	<b>3,543,750</b>	<b>69,299</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 17 Unrestricted income funds: current year

	At 1 August 2022 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2023 £
<b>Group</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,150,214	5,884,016	(6,167,438)	(27,493)	5,839,299
<b>Unrestricted funds</b>	<b>6,335,060</b>	<b>5,884,016</b>	<b>(6,167,438)</b>	<b>-</b>	<b>6,051,638</b>
<b>Charity</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,258,361	4,774,432	(4,905,876)	(27,493)	6,099,424
<b>Unrestricted funds</b>	<b>6,443,207</b>	<b>4,774,432</b>	<b>(4,905,876)</b>	<b>-</b>	<b>6,311,763</b>

The Trustees have created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance of £212,339 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

### 18 Unrestricted income funds: prior year

	At 1 August 2021 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2022 £
<b>Group</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,970,416	5,603,866	(5,361,692)	(62,376)	6,150,214
<b>Unrestricted funds</b>	<b>6,092,886</b>	<b>5,603,866</b>	<b>(5,361,692)</b>	<b>-</b>	<b>6,335,060</b>
<b>Charity</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,883,323	4,617,963	(4,180,549)	(62,376)	6,258,361
<b>Unrestricted funds</b>	<b>6,005,793</b>	<b>4,617,963</b>	<b>(4,180,549)</b>	<b>-</b>	<b>6,443,207</b>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

#### 19 Analysis of net assets between funds: current year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,916,516	3,922,783	-	5,839,299
<b>Total funds</b>	<b>1,916,516</b>	<b>4,135,122</b>	<b>-</b>	<b>6,051,638</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,782,799	4,316,625	-	6,099,424
<b>Total funds</b>	<b>1,782,799</b>	<b>4,528,964</b>	<b>-</b>	<b>6,311,763</b>

#### 20 Analysis of net assets between funds: prior year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,450,794	-	6,150,214
<b>Total funds</b>	<b>1,699,420</b>	<b>4,635,640</b>	<b>-</b>	<b>6,335,060</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,558,941	-	6,258,361
<b>Total funds</b>	<b>1,699,420</b>	<b>4,743,787</b>	<b>-</b>	<b>6,443,207</b>

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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#### **21 Control and related party transactions (including key management personnel)**

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £143,332 (2022: £129,363), including pension contributions of £17,757 (2022: £16,039), for their role as CEO.

During the year, 2 trustees were reimbursed £382 (2022: 3 trustees reimbursed £273) for expenses incurred.

Key management personnel of the company received total remuneration of £377,355 (2022: £329,299) for the financial period.

There are no further disclosable related party transactions for the charity.

#### **22 Company limited by guarantee**

Every member guarantees, in the event of the charitable company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charitable company while the contributor was a member.

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2022

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# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2022

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascenits House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson A Bolton R Davies P Rowe A Rushton J Robinson W Robinson M McTague
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT

### FOR THE YEAR ENDED 31 JULY 2022

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2022. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### Reference and administrative details

Reference and administrative details are shown on page 2 of these financial statements.

#### The trustees

The trustees who served the charity during the period were as follows:

S Carlisle  
P C Wilkinson  
A Bolton  
R Davies  
R H Newton-Syms (resigned 13 December 2021)  
P Rowe  
A Rushton  
J Robinson (appointed 16 May 2022)  
W Robinson (appointed 16 May 2022)  
M McTague (appointed 27 May 2022)

#### Structure, governance and management

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a minimum of 5 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Group Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis, and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees
- User guide and activation account for OnBoard

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

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#### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the Group CEO, who meets formally with his executive team on a regular basis.

#### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, except to its own subsidiaries.

#### **Aims, objectives and activities**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge, acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia and dyscalculia intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strength and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia & dyscalculia software provision to schools across UK and overseas, in particular, the UAE; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure with appropriate investment; to maintain excellent financial health: to keep our staff safe and well following the pandemic and to protect the charity as far as possible against the impact of the significant increase in inflation.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK, and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the strong financial performance despite the continuing lingering impact of Covid-19. Group income increased over the previous year to £5.6m and the surplus achieved was significantly above the target.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### STRATEGIC REPORT

#### Achievements and performance

This is Ascentis' thirteenth year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia and dyscalculia intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This included a systematic review of remuneration across the Group to enhance staff recruitment and retention. This sound staffing and IT infrastructure have enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

#### Financial review

##### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2022/2023 is £6m and therefore, the target reserves are between £2m and £5m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2022 were £6.3m. After allowing for funds that can only be realised on disposal of a fixed asset (£1.7m) and the designated reserve (£122k), remaining free reserves are £4.5m, which remains in line with the above policy. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

##### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia and dyscalculia intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

#### Plans for future periods

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved a good surplus in the year despite the lingering negative impact of Covid-19. The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth. The impact of negative funding policy will be mitigated by further growth of qualifications not in scope of funding policy reviews, growth of the subsidiary IDLS and the start-up of a second subsidiary, the Virtual Academy Ltd, as an online training organisation.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

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The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 5-year period to 2027. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges, and employers with the optimum level of customer support. Simultaneously, the Dyslexia and Dyscalculia Intervention Support service, plus a new product aimed at improving the wellbeing of children delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets and a new online training organisation will be launched. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2022-23 year are as follows:

1. **Financial Health:** Achievement of modest growth in income and a minimum break-even position, before any future-proofing investments.
2. **Product Development:** Development and maintenance of a qualifications portfolio and supporting learning materials that are aligned with Government policy, focused on our proven strengths, and that meet the needs of local, regional, national, and international stakeholders.
3. **Intervention Software support service:** Expansion of a dyslexia, dyscalculia, and wellbeing products across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. **Training:** Provision of online training delivered through the subsidiary Virtual Academy Ltd.
5. **Governance:** Compliance with Companies House and Charity Commission requirements.
6. **Regulatory Compliance and Quality Assurance:** Maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
7. **People and Culture:** Effective Human Resources structure supported by rigorous performance management and targeted staff development.
8. **Systems and Physical Infrastructure:** Effective maintenance and development of systems, IT and accommodation.

### **Principal risks and uncertainties**

#### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. Changes to immigration policies which result in a decrease in the number of people requiring ESOL (English for Speakers of Other Languages) qualifications represent an additional medium-term risk. Covid 19 remains a risk in relation to overseas activity where the virus is still not under control.

### **Responsibilities of the trustees**

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

MHA Moore and Smalley are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

### Approval

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

*Phil Wilkinson*

Mr P C Wilkinson  
Trustee

22/12/2022  
.....

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2022**

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#### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022**

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#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 6-7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with Ofqual and QAA regulations, General Data Protection Regulation, employment law, and compliance with the UK Companies Act and Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2022**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>.

This description forms part of our auditor's report.



**Jenny McCabe (Senior Statutory Auditor)**  
**For and on behalf of**  
**MHA Moore and Smalley**  
**Chartered Accountants and Statutory Auditor**

Priory Close  
St Mary's Gate  
Lancaster  
LA1 1XB

Date: 06/01/2023

*MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2022

		Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Charitable activities	3	5,548,531	-	5,548,531	5,458,698
Investments	5	2,747	-	2,747	2,707
Other	6	52,588	-	52,588	65,864
<b>Total</b>		<b>5,603,866</b>	<b>-</b>	<b>5,603,866</b>	<b>5,527,269</b>
<b>Expenditure on:</b>					
Charitable activities	7	5,361,692	-	5,361,692	4,680,902
<b>Total</b>		<b>5,361,692</b>	<b>-</b>	<b>5,361,692</b>	<b>4,680,902</b>
<b>Net income before transfers</b>	<b>9</b>	<b>242,174</b>	<b>-</b>	<b>242,174</b>	<b>846,367</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>242,174</b>	<b>-</b>	<b>242,174</b>	<b>846,367</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,092,886	-	6,092,886	5,246,519
<b>Total funds carried forward</b>		<b>6,335,060</b>	<b>-</b>	<b>6,335,060</b>	<b>6,092,886</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities, except as detailed in notes 3 and 7 in respect of the prior year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 33 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2022

		Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Charitable activities	3	4,490,802	-	4,490,802	4,541,462
Trading income	4	87,501	-	87,501	4,232
Investments	5	2,747	-	2,747	2,707
Other	6	36,913	-	36,913	56,826
<b>Total</b>		<b>4,617,963</b>	<b>-</b>	<b>4,617,963</b>	<b>4,605,227</b>
<b>Expenditure on:</b>					
Charitable activities	7	4,180,549	-	4,180,549	3,845,678
<b>Total</b>		<b>4,180,549</b>	<b>-</b>	<b>4,180,549</b>	<b>3,845,678</b>
<b>Net income before transfers</b>	9	<b>437,414</b>	<b>-</b>	<b>437,414</b>	<b>759,549</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>437,414</b>	<b>-</b>	<b>437,414</b>	<b>759,549</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,005,793	-	6,005,793	5,246,244
<b>Total funds carried forward</b>		<b>6,443,207</b>	<b>-</b>	<b>6,443,207</b>	<b>6,005,793</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2022

		2022	2021
		£	£
<b>Fixed assets</b>			
Tangible assets	11	1,695,370	1,804,803
Intangible assets	12	4,050	3,863
		<hr/>	<hr/>
		1,699,420	1,808,666
<b>Current assets</b>			
Debtors	13	478,388	545,395
Cash at bank and in hand		4,842,820	4,579,671
		<hr/>	<hr/>
		5,321,208	5,125,066
<b>Creditors: amounts falling due within one year</b>	15	(685,568)	(840,846)
		<hr/>	<hr/>
<b>Net current assets</b>		4,635,640	4,284,220
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		6,335,060	6,092,886
<b>Provisions for liabilities</b>		-	-
		<hr/>	<hr/>
<b>Net assets</b>		6,335,060	6,092,886
		<hr/>	<hr/>
<b>Funds:</b>			
Unrestricted funds	17	6,335,060	6,092,886
		<hr/>	<hr/>
<b>Total funds</b>		6,335,060	6,092,886
		<hr/>	<hr/>

These accounts were approved by the members of the committee and authorised for issue on the 22/12/2022

..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CHARITY BALANCE SHEET

AS AT 31 JULY 2022

		2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,695,370		1,804,803	
Intangible assets	12	4,050		3,863	
			1,699,420		1,808,666
<b>Current assets</b>					
Debtors	13	600,002		620,504	
Investments	14	2		2	
Cash at bank and in hand		4,792,955		4,372,187	
		5,392,959		4,992,693	
<b>Creditors: amounts falling due within one year</b>	15	(649,172)		(795,566)	
<b>Net current assets</b>			4,743,787		4,197,127
<b>Total assets less current liabilities</b>			6,443,207		6,005,793
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			6,443,207		6,005,793
<b>Funds:</b>					
Unrestricted funds	17	6,443,207		6,005,793	
<b>Total funds</b>			6,443,207		6,005,793

These accounts were approved by the members of the committee and authorised for issue on 22/12/2022

..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR END 31 JULY 2022

	Group 2022 Total £	Group 2021 Total £	Charity 2022 Total £	Charity 2021 Total £
<b>Cash generated in operating activities</b>	<b>426,992</b>	<b>1,203,889</b>	<b>584,611</b>	<b>1,078,766</b>
<b>Cashflows from investing activities</b>				
Investment income	2,747	2,707	2,747	2,707
Purchase of tangible fixed assets	(213,540)	(1,649,400)	(213,540)	(1,649,400)
Purchase of intangible fixed assets	(4,050)	-	(4,050)	-
Receipts from sale of fixed assets	51,000	9,266	51,000	9,266
<b>Cash used in investing activities</b>	<b>(163,843)</b>	<b>(1,637,427)</b>	<b>(163,843)</b>	<b>(1,637,427)</b>
<b>Increase/ (decrease) in cash and cash equivalents in the year</b>	<b>263,149</b>	<b>(433,538)</b>	<b>420,768</b>	<b>(558,661)</b>
Cash and cash equivalents brought forward	4,579,671	5,013,209	4,372,187	4,930,848
<b>Cash and cash equivalents carried forward</b>	<b>4,842,820</b>	<b>4,579,671</b>	<b>4,792,955</b>	<b>4,372,187</b>
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	242,174	846,367	437,414	759,549
Investment income received	(2,747)	(2,707)	(2,747)	(2,707)
Depreciation and amortisation	277,400	138,400	277,400	138,400
Decrease in debtors	67,007	133,431	20,502	102,671
(Decrease)/Increase in creditors	(155,278)	76,085	(146,394)	68,540
(Loss)/profit on disposal of fixed assets	(1,564)	12,313	(1,564)	12,313
<b>Net cash generated in operating activities</b>	<b>426,992</b>	<b>1,203,889</b>	<b>584,611</b>	<b>1,078,766</b>
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	4,842,820	4,579,671	4,792,955	4,372,187
	<b>4,842,820</b>	<b>4,579,671</b>	<b>4,792,955</b>	<b>4,372,187</b>

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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### 1 Accounting policies

#### Legal form

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

#### Basis of preparation

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis (“the Charity”) and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd. The results of the subsidiaries are consolidated on a line by line basis.

#### Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity’s ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDLS Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

VAL income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### 1 Accounting policies (continued)

Government grants receivable represent income under the Kickstart Scheme which provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. Kickstart grants are recognised by the company for the period claims are made.

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 7 years
Motor vehicles	-	2 to 3 years
Property improvements	-	5 to 15 years

#### Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset as follows:

Website costs	-	3 years
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#### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

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#### 1 Accounting policies (continued)

##### **Cash and cash equivalents**

Cash balances represent cash in hand and deposits held at banks and building societies.

##### **Debtors and creditors within one year**

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Fund accounting**

###### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

###### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

##### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

##### **Pensions**

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

##### **Redundancy costs**

Redundancy costs are expensed when the liability for payment of such costs is incurred.

##### **Taxation**

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### 1 Accounting policies (continued)

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

#### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

#### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### 1 Accounting policies (continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key assumptions, judgements and estimates**

##### **Income recognition**

As stated in the accounting policies on page 17, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

There have been no other key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Awarding qualification income	4,490,802	-	4,490,802	4,541,462
IDLS income	1,057,729	-	1,057,729	909,908
VAL income	-	-	-	7,328
	<b>5,548,531</b>	<b>-</b>	<b>5,548,531</b>	<b>5,458,698</b>
<b>Charity</b>				
Awarding qualification income	4,490,802	-	4,490,802	4,541,462
	<b>4,490,802</b>	<b>-</b>	<b>4,490,802</b>	<b>4,541,462</b>

All income from charitable activities in the comparative period was unrestricted. Income of £nil (2021: £7,328) relates to activities which have been discontinued.

### 4 Income from trading activities

Charity Only	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donation from trading subsidiary	87,501	-	87,501	4,232
	<b>87,501</b>	<b>-</b>	<b>87,501</b>	<b>4,232</b>

All income from trading activities was unrestricted in the prior year.

### 5 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Bank interest receivable	2,747	-	2,747	2,707
	<b>2,747</b>	<b>-</b>	<b>2,747</b>	<b>2,707</b>

All income from investments in the comparative period was unrestricted.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 6 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Grant income	52,588	-	52,588	65,572
Other sundry income	-	-	-	292
	<b>52,588</b>	<b>-</b>	<b>52,588</b>	<b>65,864</b>

Charity	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Grant income	33,088	-	33,088	55,817
Interest on group loan	3,825	-	3,825	1,009
	<b>36,913</b>	<b>-</b>	<b>36,913</b>	<b>56,826</b>

All other income in the comparative period was unrestricted.

### 7 Expenditure on charitable activities

Group	Promotion of education and training		Total 2022 £	Total 2021 £
	Unrestricted £	Restricted £		
Costs of generating awarding qualification income	2,083,840	-	2,083,840	1,887,152
Costs of generating IDLS income	667,033	-	667,033	490,286
Costs of generating VAL income	9,906	-	9,906	9,092
Support costs (see note 8)	2,600,913	-	2,600,913	2,294,372
	<b>5,361,692</b>	<b>-</b>	<b>5,361,692</b>	<b>4,680,902</b>

Charity	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Costs of generating awarding qualification income	1,969,419	-	1,969,419	1,834,946
Support costs (see note 8)	2,211,130	-	2,211,130	2,010,732
	<b>4,180,549</b>	<b>-</b>	<b>4,180,549</b>	<b>3,845,678</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 7 Expenditure on charitable activities (continued)

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity. Included within group expenditure on charitable activities is expenditure of £nil (2021: £9,092) relating to discontinued operations.

### 8 Support costs

Group	Charitable activities £	Total 2022 £	Total 2021 £
Wages and salaries	1,034,900	1,034,900	851,477
Rent	298,230	298,230	278,807
Rates and water	(13,537)	(13,537)	64,524
Light and heat	54,145	54,145	14,046
Repairs and maintenance	99,297	99,297	156,989
Insurance	34,669	34,669	30,903
Health and safety	8,526	8,526	8,865
Consultancy fees	40,232	40,232	44,633
Telephone	11,344	11,344	6,023
Advertising	30	30	400
Printing, postage and stationary	7,977	7,977	6,109
Depreciation	273,537	273,537	125,315
Amortisation	3,863	3,863	13,087
Information Technology	493,912	493,912	533,788
Conference costs	22,584	22,584	8,156
Sundry expenses	107,169	107,169	79,773
Bank charges	5,112	5,112	4,658
Bad debts	7,226	7,226	(17,628)
Profit on disposal of fixed assets	(1,564)	(1,564)	12,313
Profit on foreign exchange	(357)	(357)	-
Accountancy fees	21,133	21,133	17,330
Audit Fees	15,225	15,225	13,850
Legal fees	60,105	60,105	40,681
Professional subscriptions	4,467	4,467	271
Research and development costs	12,688	12,688	-
<b>Total support costs for group</b>	<b>2,600,913</b>	<b>2,600,913</b>	<b>2,294,370</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

**8 Support costs (continued)**

Charity	Charitable activities £	Total 2022 £	Total 2021 £
Wages and salaries	844,854	844,854	708,166
Rent	298,230	298,230	276,007
Rates and water	(13,537)	(13,537)	64,524
Light and heat	54,145	54,145	14,046
Repairs and maintenance	99,297	99,297	156,762
Insurance	34,482	34,482	30,740
Health and safety	8,526	8,526	8,865
Consultancy fees	40,232	40,232	40,087
Telephone	11,344	11,344	4,775
Printing, postage and stationary	7,977	7,977	6,033
Depreciation	273,537	273,537	125,315
Amortisation	3,863	3,863	13,087
Information Technology	381,171	381,171	439,928
Conference costs	22,584	22,584	8,156
Sundry expenses	45,900	45,900	48,621
Bank charges	2,329	2,329	2,156
Bad debts	7,816	7,816	(1,392)
Loss on disposal of fixed assets	(1,564)	(1,564)	12,313
Accountancy fees	16,845	16,845	13,309
Audit Fees	9,625	9,625	8,750
Legal fees	47,255	47,255	27,428
Intercompany loan waived	16,219	16,219	3,056
<b>Total support costs for charity</b>	<b>2,211,130</b>	<b>2,211,130</b>	<b>2,010,732</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

<b>9</b>	<b>Net income for the year</b>		
	<b>Net income is stated after charging:</b>	<b>2022</b>	<b>2021</b>
		£	£
	<b>Group</b>		
	Staff pension contributions	126,125	112,330
	Auditors' remuneration		
	- audit of the financial statements	15,225	13,850
	Depreciation of tangible assets		
	- owned by the charity	273,537	125,315
	Amortisation of intangible assets		
	- owned by the charity	3,863	13,087
		<u>3,863</u>	<u>13,087</u>
	<b>Charity</b>		
	Staff pension contributions	96,438	90,114
	Auditors' remuneration		
	- audit of the financial statements	9,625	8,750
	Depreciation of tangible assets		
	- owned by the charity	273,537	125,313
	Amortisation of intangible assets		
	- owned by the charity	3,863	13,087
		<u>3,863</u>	<u>13,087</u>
<b>10</b>	<b>Staff costs and emoluments</b>		
	<b>Total staff costs were as follows:</b>	<b>2022</b>	<b>2021</b>
		£	£
	<b>Group</b>		
	Wages and salaries	2,852,263	2,516,647
	Social security costs	260,185	223,250
	Pension costs	126,125	112,330
	<b>Total group staff costs</b>	<u>3,238,573</u>	<u>2,852,227</u>
	<b>Charity</b>		
	Wages and salaries	2,215,770	2,009,708
	Social security costs	194,977	173,515
	Pension costs	96,438	90,114
	<b>Total charity staff costs</b>	<u>2,507,185</u>	<u>2,273,337</u>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### 10 Staff costs and emoluments (continued)

#### Particulars of employees:

The average head count number of staff employed by the group during the year was as follows:

	2022 No	2021 No
Executive	3	3
Charitable	84	75
Support	19	16
IDLS	17	14
VAL	1	1
	<u>124</u>	<u>109</u>

The number of employees, whose remuneration for the year fell within the following bands, were:

	2022 No	2021 No
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-
£100,000-109,999	-	1
£110,000-119,999	1	-
	<u>1</u>	<u>-</u>

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	2022 No	2021 No
Accrued benefits under defined contribution pension schemes	3	3
	<u>3</u>	<u>3</u>

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £31,492 (2021: £29,846).

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

**11 Tangible fixed assets**

<b>Group and charity</b>	<b>Leasehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Motor Vehicles £</b>	<b>Totals £</b>
<b>Cost</b>					
At 1 August 2021	890,791	533,603	499,127	72,640	1,996,161
Additions	-	2,024	113,516	98,000	213,540
Disposals	-	-	(33,551)	(72,640)	(106,191)
<b>At 31 July 2022</b>	<b>890,791</b>	<b>535,627</b>	<b>579,092</b>	<b>98,000</b>	<b>2,103,510</b>
<b>Depreciation</b>					
At 1 August 2021	20,208	19,093	138,943	13,114	191,358
Charge for the year	74,129	76,516	110,763	12,129	273,537
Eliminated on disposals	-	-	(33,551)	(23,204)	(56,755)
<b>At 31 July 2022</b>	<b>94,337</b>	<b>95,609</b>	<b>216,155</b>	<b>2,039</b>	<b>408,140</b>
<b>Net book value</b>					
<b>At 31 July 2022</b>	<b>796,454</b>	<b>440,018</b>	<b>362,937</b>	<b>95,961</b>	<b>1,695,370</b>
At 31 July 2021	870,583	514,510	360,184	59,526	1,804,803

**12 Intangible assets**

<b>Group and charity</b>	<b>Other intangible assets £</b>	<b>Totals £</b>
<b>Cost</b>		
At 1 August 2021	39,260	39,260
Additions	4,050	4,050
<b>At 31 July 2022</b>	<b>43,310</b>	<b>43,310</b>
<b>Amortisation</b>		
At 1 August 2021	35,397	35,397
Charge for the year	3,863	3,863
<b>At 31 July 2022</b>	<b>39,260</b>	<b>39,260</b>
<b>Net book value</b>		
<b>At 31 July 2022</b>	<b>4,050</b>	<b>4,050</b>
At 31 July 2021	3,863	3,863

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 13 Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	255,900	358,764	181,541	302,282
Amounts owed by group undertakings	-	-	215,324	147,003
Prepayments and accrued income	221,008	181,880	201,657	167,341
Other debtors	1,480	4,751	1,480	3,878
	<b>478,388</b>	<b>545,395</b>	<b>600,002</b>	<b>620,504</b>

### 14 Investments

Group	2022 £	2021 £
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	-	100,000
Disposal	-	(100,000)
Impairment brought forward	-	(100,000)
Eliminated on disposal	-	100,000
<b>Total investments</b>	<b>-</b>	<b>-</b>
<b>Charity</b>		
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	2	100,002
Disposals	-	(100,000)
Impairment brought forward	-	(100,000)
Eliminated on disposal	-	100,000
<b>Total investments</b>	<b>2</b>	<b>2</b>

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Limited. Both companies are incorporated in England and Wales.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

**15 Creditors: amounts falling due within one year**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	133,414	114,067	123,354	107,746
Other taxation and social security	93,476	100,295	93,476	100,295
Other creditors	27,879	4,580	15,038	54
Accruals and deferred income	430,799	621,904	417,304	587,471
	<b>685,568</b>	<b>840,846</b>	<b>649,172</b>	<b>795,566</b>

<b>Deferred income</b>	<b>2022 £</b>	<b>2021 £</b>
Balance brought forward	224,940	265,970
Release of deferred income	(224,940)	(265,970)
Income deferred to 2022-23	242,700	224,940
	<b>242,700</b>	<b>224,940</b>

**16 Commitments under operating leases**

<b>Group and charity</b>	<b>2022 Land and Buildings £</b>	<b>2022 Other items £</b>	<b>2021 Land and Buildings £</b>	<b>2021 Other items £</b>
Within 1 year	262,500	46,413	205,249	33,042
Within 2 to 5 years	1,312,500	24,646	1,312,500	54,526
After more than 5 years	1,968,750	-	2,231,250	-
	<b>3,543,750</b>	<b>71,059</b>	<b>3,748,999</b>	<b>87,568</b>

<b>Charity only</b>	<b>2022 Land and Buildings £</b>	<b>2022 Other items £</b>	<b>2021 Land and Buildings £</b>	<b>2021 Other items £</b>
Within 1 year	262,500	44,653	205,249	33,042
Within 2 to 5 years	1,312,500	24,646	1,312,500	54,526
After more than 5 years	1,968,750	-	2,231,250	-
	<b>3,543,750</b>	<b>69,299</b>	<b>3,748,999</b>	<b>87,568</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 17 Unrestricted income funds: current year

	At 1 August 2021 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2022 £
<b>Group</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,970,416	5,603,866	(5,361,692)	(62,376)	6,150,214
<b>Unrestricted funds</b>	<b>6,092,886</b>	<b>5,603,866</b>	<b>(5,361,692)</b>	<b>-</b>	<b>6,335,060</b>
<b>Charity</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,883,323	4,617,963	(4,180,549)	(62,376)	6,258,361
<b>Unrestricted funds</b>	<b>6,005,793</b>	<b>4,617,963</b>	<b>(4,180,549)</b>	<b>-</b>	<b>6,443,207</b>

The Trustees have created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance of £184,846 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

### 18 Unrestricted income funds: prior year

	At 1 August 2020 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2021 £
<b>Group</b>					
Designated Funds	126,789	-	-	(4,319)	122,470
General Funds	5,119,730	5,527,269	(4,680,902)	4,319	5,970,416
<b>Unrestricted funds</b>	<b>5,246,519</b>	<b>5,527,269</b>	<b>(4,680,902)</b>	<b>-</b>	<b>6,092,886</b>
<b>Charity</b>					
Designated Funds	126,789	-	-	(4,319)	122,470
General Funds	5,119,455	4,605,227	(3,845,678)	4,319	5,883,323
<b>Unrestricted funds</b>	<b>5,246,244</b>	<b>4,605,227</b>	<b>(3,845,678)</b>	<b>-</b>	<b>6,005,793</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2022**

**19 Analysis of net assets between funds: current year**

<b>Group</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,450,794	-	6,150,214
<b>Total funds</b>	<b>1,699,420</b>	<b>4,635,640</b>	<b>-</b>	<b>6,335,060</b>

<b>Charity</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,558,941	-	6,258,361
<b>Total funds</b>	<b>1,699,420</b>	<b>4,743,787</b>	<b>-</b>	<b>6,443,207</b>

**20 Analysis of net assets between funds: prior year**

<b>Group</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	122,470	-	122,470
General Funds	1,808,666	4,161,750	-	5,970,416
<b>Total funds</b>	<b>1,808,666</b>	<b>4,284,220</b>	<b>-</b>	<b>6,092,886</b>

<b>Charity</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	122,470	-	122,470
General Funds	1,808,666	4,074,657	-	5,883,323
<b>Total funds</b>	<b>1,808,666</b>	<b>4,197,127</b>	<b>-</b>	<b>6,005,793</b>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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#### 21 Control and related party transactions (including key management personnel)

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £129,963 (2021: £118,035), including pension contributions of £16,039 (2021: £15,520), for their role as CEO.

During the year, 3 trustees were reimbursed £273 (2021: 2 trustees reimbursed £191) for expenses incurred.

Key management personnel of the company received total remuneration of £329,299 (2021: £300,202) for the financial period.

There are no further disclosable related party transactions for the charity.

#### 22 Company limited by guarantee

Every member guarantees, in the event of the charitable company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charitable company while the contributor was a member.

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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# **Ascentis**

**Company Limited by Guarantee**

**Trustees' Report and Consolidated Financial  
Statements**

**For The Year Ended  
31 July 2021**

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2021

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascenits House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson A Bolton R Davies R H Newton-Syms P Rowe A Rushton
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 JULY 2021**

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2021. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Reference and administrative details**

Reference and administrative details are shown on page 2 of these financial statements.

#### **The trustees**

The trustees who served the charity during the period were as follows:

S Carlisle  
A J Turjansky (resigned 8 July 2021)  
P C Wilkinson  
A Bolton  
R Davies  
R H Newton-Syms  
P Rowe  
A Rushton

#### **Structure, governance and management**

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a maximum of 13 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

One third of the trustees (or the number nearest one third) must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. The retiring trustees shall be eligible for re-election. The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis, and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the Group CEO, who meets formally with his executive team on a regular basis.

#### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, save in respect to its own subsidiaries.

#### **Aims, objectives and activities**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge, acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia and dyscalculia intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strength and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia & dyscalculia software provision to schools across UK and overseas, in particular the USA; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure; to maintain excellent financial health: to keep our staff safe and well during the pandemic and to manage the build and fit-out of a brand new office

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the strong financial performance despite the impact of Covid-19. Group income increased over the previous year to £5.5m and the surplus achieved was significantly above the target.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### STRATEGIC REPORT

#### Achievements and performance

This is Ascentis' twelfth year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia and dyscalculia intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This included a major capital project to create a world-beating new office for the staff. This sound infrastructure has enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

#### Financial review

##### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2021/2022 is £5.85m and therefore, the target reserves are between £1.95m and £4.4m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2021 were £6.1m. After allowing for funds that can only be realised on disposal of a fixed asset (£1.8m) and the designated reserve (£122k), remaining free reserves are £4.2m, which remains in line with the above policy. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

##### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia and dyscalculia intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

#### Plans for future periods

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved a good surplus in the year despite the continuing negative impact of Covid-19. The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth. The impact of negative funding policy will be mitigated by further growth of the subsidiary and continued expansion of the Group's overseas activity.

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' ANNUAL REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 JULY 2021**

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The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 2-year period to 2023. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges and employers with the optimum level of customer support. Simultaneously, the Dyslexia and Dyscalculia Intervention Support service, delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2021-22 year are as follows:

1. Financial Health: achievement of modest growth in income and a minimum break-even position, before any future-proofing investments.
2. Product Development: development and maintenance of a qualifications portfolio and supporting learning materials which are aligned with Government policy, focused on our proven strengths and which meets the needs of local, regional, national and international stakeholders.
3. Intervention Software support service: expansion of dyslexia and dyscalculia service across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. Training: Provision of on-line training delivered through the subsidiary Virtual Academy Ltd
5. Governance: compliance with Companies House and Charity Commission requirements.
6. Regulatory Compliance and Quality Assurance: maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
7. Human Resources: effective Human Resources structure supported by rigorous performance management and targeted staff development.
8. Systems and Physical Infrastructure: effective maintenance and development of systems, IT and accommodation.

### **Principal risks and uncertainties**

#### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. Changes to immigration policies which result in a decrease in the number of people requiring ESOL (English for Speakers of Other Languages) qualifications represent an additional medium-term risk. Covid 19 remains a potential risk in relation to the possible closure of colleges and schools.

### **Responsibilities of the trustees**

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

MHA Moore and Smalley are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

### Approval

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

*Phil Wilkinson*

**Mr P C Wilkinson**  
**Trustee**

14/01/2022  
.....

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS**

**FOR THE YEAR ENDED 31 JULY 2021**

---

### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021**

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#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 6-7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with Ofqual and QAA regulations, General Data Protection Regulation, employment law, and compliance with the UK Companies Act and Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021**

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#### **Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.



**Jenny McCabe (Senior Statutory Auditor)**  
**For and on behalf of**  
**MHA Moore and Smalley**  
**Chartered Accountants and Statutory Auditor**

Priory Close  
St Mary's Gate  
Lancaster  
LA1 1XB

Date: 17/01/2022

*MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Charitable activities	3	5,458,698	-	5,458,698	4,997,154
Investments	5	2,707	-	2,707	13,673
Other	6	65,864	-	65,864	82,340
<b>Total</b>		<b>5,527,269</b>	<b>-</b>	<b>5,527,269</b>	<b>5,093,167</b>
<b>Expenditure on:</b>					
Charitable activities	7	4,680,902	-	4,680,902	4,560,189
<b>Total</b>		<b>4,680,902</b>	<b>-</b>	<b>4,680,902</b>	<b>4,560,189</b>
<b>Net income before transfers</b>	<b>9</b>	<b>846,367</b>	<b>-</b>	<b>846,367</b>	<b>532,978</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>846,367</b>	<b>-</b>	<b>846,367</b>	<b>532,978</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,246,519	-	5,246,519	4,713,541
<b>Total funds carried forward</b>		<b>6,092,886</b>	<b>-</b>	<b>6,092,886</b>	<b>5,246,519</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities except as described in notes 3 and 7.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 33 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Charitable activities	3	4,541,462	-	4,541,462	4,237,898
Trading income	4	4,232	-	4,232	-
Investments	5	2,707	-	2,707	13,673
Other	6	56,826	-	56,826	57,951
<b>Total</b>		<b>4,605,227</b>	<b>-</b>	<b>4,605,227</b>	<b>4,309,522</b>
<b>Expenditure on:</b>					
Charitable activities	7	3,845,678	-	3,845,678	3,817,541
<b>Total</b>		<b>3,845,678</b>	<b>-</b>	<b>3,845,678</b>	<b>3,817,541</b>
<b>Net income before transfers</b>	<b>9</b>	<b>759,549</b>	<b>-</b>	<b>759,549</b>	<b>491,981</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>759,549</b>	<b>-</b>	<b>759,549</b>	<b>491,981</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,246,244	-	5,246,244	4,754,263
<b>Total funds carried forward</b>		<b>6,005,793</b>	<b>-</b>	<b>6,005,793</b>	<b>5,246,244</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2021

		2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,804,803		302,295	
Intangible assets	12	3,863		16,950	
			1,808,666		319,245
<b>Current assets</b>					
Debtors	13	545,395		678,826	
Cash at bank and in hand		4,579,671		5,013,209	
		5,125,066		5,692,035	
<b>Creditors:</b> amounts falling due within one year	15	(840,846)		(764,761)	
<b>Net current assets</b>			4,284,220		4,927,274
<b>Total assets less current liabilities</b>			6,092,886		5,246,519
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			6,092,886		5,246,519
<b>Funds:</b>					
Unrestricted funds	17	6,092,886		5,246,519	
<b>Total funds</b>			6,092,886		5,246,519

These accounts were approved by the members of the committee and authorised for issue on the 14/01/2022 and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
**Trustee**

**Company Registration Number:** 06799564

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## CHARITY BALANCE SHEET

AS AT 31 JULY 2021

		2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,804,803		302,295	
Intangible assets	12	3,863		16,950	
			1,808,666		319,245
<b>Current assets</b>					
Debtors	13	620,504		723,175	
Investments	14	2		2	
Cash at bank and in hand		4,372,187		4,930,848	
		4,992,693		5,654,025	
<b>Creditors:</b> amounts falling due within one year	15	(795,566)		(727,026)	
<b>Net current assets</b>			4,197,127		4,926,999
<b>Total assets less current liabilities</b>			6,005,793		5,246,244
<b>Provisions for liabilities</b>			-		-
<b>Net assets</b>			6,005,793		5,246,244
<b>Funds:</b>					
Unrestricted funds	17	6,005,793		5,246,244	
<b>Total funds</b>			6,005,793		5,246,244

These accounts were approved by the members of the committee and authorised for issue on 14/01/2022 and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
**Trustee**

**Company Registration Number:** 06799564

The notes on pages 17 to 33 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR END 31 JULY 2021

	Group 2021 Total £	Group 2020 Total £	Charity 2021 Total £	Charity 2020 Total £
<b>Cash generated in operating activities</b>	<b>1,203,889</b>	654,975	<b>1,078,766</b>	593,828
<b>Cashflows from investing activities</b>				
Investment income	2,707	13,673	2,707	13,673
Purchase of tangible fixed assets	<b>(1,649,400)</b>	(275,052)	<b>(1,649,400)</b>	(275,052)
Receipts from sale of fixed assets	9,266	6,249	9,266	6,249
Purchase of investment acquisitions	-	(100,000)	-	(100,000)
<b>Cash generated/(used) in investing activities</b>	<b>(1,637,427)</b>	(355,130)	<b>(1,637,427)</b>	(355,130)
<b>Increase/ (decrease) in cash and cash equivalents in the year</b>	<b>(433,538)</b>	299,845	<b>(558,661)</b>	238,698
Cash and cash equivalents b/fwd	<b>5,013,209</b>	4,713,364	<b>4,930,848</b>	4,692,150
<b>Cash and cash equivalents c/fwd</b>	<b>4,579,671</b>	5,013,209	<b>4,372,187</b>	4,930,848
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	<b>846,367</b>	532,978	<b>759,549</b>	491,981
Investment income received	<b>(2,707)</b>	(13,673)	<b>(2,707)</b>	(13,673)
Depreciation and amortisation	<b>138,400</b>	77,599	<b>138,400</b>	77,599
(Increase)/Decrease in debtors	<b>133,431</b>	10,950	<b>102,671</b>	(12,241)
Increase/(Decrease) in creditors	<b>76,085</b>	(53,759)	<b>68,540</b>	(50,718)
Loss on disposal of fixed assets	<b>12,313</b>	880	<b>12,313</b>	880
Impairment of purchase acquisitions	-	100,000	-	100,000
<b>Net cash generated in operating activities</b>	<b>1,203,889</b>	654,975	<b>1,078,766</b>	593,828
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	<b>4,579,671</b>	5,013,209	<b>4,372,187</b>	4,930,848
	<b>4,579,671</b>	5,013,209	<b>4,372,187</b>	4,930,848

The notes on pages 17 to 33 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies

##### Legal form

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

##### Basis of preparation

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis (“the Charity”) and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd. The results of the subsidiaries are consolidated on a line by line basis.

##### Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity’s ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Income

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDL Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

VA income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

---

### 1 Accounting policies (continued)

Government grants receivable represent income under the Coronavirus Job Retention Scheme (CJRS) to reimburse the company of costs incurred in retaining staff who were furloughed due to the impact of closure due to COVID-19. CJRS grants are recognised to match the costs incurred by the company for the period claims are made.

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 7 years
Motor vehicles	-	2 to 3 years
Property improvements	-	5 to 15 years

#### Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset as follows:

Website costs	-	3 years
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#### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

---

### 1 Accounting policies (continued)

#### Cash and cash equivalents

Cash balances represent cash in hand and deposits held at banks and building societies.

#### Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### Fund accounting

##### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

##### *Designated funds*

Designated funds are unrestricted funds set aside by the Trustees to cover future potential or actual monetary commitments. The fund balances are reviewed annually by the trustees.

##### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

#### Pensions

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

#### Redundancy costs

Redundancy costs are expensed when the liability for payment of such costs is incurred.

#### Taxation

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

---

### 1 Accounting policies (continued)

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

#### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

#### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies (continued)

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Key assumptions, judgements and estimates**

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### **Income recognition**

As stated in the accounting policies on page 17, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

The Trustees have not identified any further key judgements in these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Awarding qualification income	4,541,462	-	4,541,462	4,237,898
IDL income	909,908	-	909,908	688,965
VA income	7,328	-	7,328	70,291
	<b>5,458,698</b>	-	<b>5,458,698</b>	4,997,154
<b>Charity</b>				
Awarding qualification income	4,541,462	-	4,541,462	4,237,898
	<b>4,541,462</b>	-	<b>4,541,462</b>	4,237,898

All income from charitable activities in the comparative period was unrestricted. Income of £7,328 (2020: £70,291) relates to activities which have been discontinued.

### 4 Income from trading activities

Charity Only	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donation from trading subsidiary	4,232	-	4,232	-
	<b>4,232</b>	-	<b>4,232</b>	-

### 5 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bank interest receivable	2,707	-	2,707	13,673
	<b>2,707</b>	-	<b>2,707</b>	13,673

All income from investments the comparative period was unrestricted.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 6 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Grant income	65,572	-	65,572	82,319
Other sundry income	292	-	292	21
	<b>65,864</b>	<b>-</b>	<b>65,864</b>	<b>82,340</b>

Charity	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Grant income	55,817	-	55,817	56,801
Interest on group loan	1,009	-	1,009	1,150
	<b>56,826</b>	<b>-</b>	<b>56,826</b>	<b>57,951</b>

All other income in the comparative period was unrestricted.

### 7 Expenditure on charitable activities

Group	Promotion of education and training		Total 2021 £	Total 2020 £
	Unrestricted £	Restricted £		
Costs of generating awarding qualification income	1,887,152	-	1,887,152	1,990,034
Costs of generating IDL income	490,286	-	490,286	355,874
Costs of generating VA income	9,092	-	9,092	88,670
Support costs (see note 8)	2,294,372	-	2,294,372	2,125,611
	<b>4,680,902</b>	<b>-</b>	<b>4,680,902</b>	<b>4,560,189</b>

Charity	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Costs of generating awarding qualification income	1,834,946	-	1,834,946	1,930,681
Support costs (see note 8)	2,010,732	-	2,010,732	1,886,860
	<b>3,845,678</b>	<b>-</b>	<b>3,845,678</b>	<b>3,817,541</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 7 Expenditure on charitable activities (continued)

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity. Included within group expenditure on charitable activities is expenditure of £9,092 (2020: £88,670) relating to discontinued operations.

### 8 Support costs

Group	Charitable activities £	Total 2021 £	Total 2020 £
Wages and salaries	851,477	<b>851,477</b>	874,610
Rent	278,807	<b>278,807</b>	144,905
Rates and water	64,524	<b>64,524</b>	13,345
Light and heat	14,046	<b>14,046</b>	14,537
Repairs and maintenance	156,989	<b>156,989</b>	28,027
Insurance	30,903	<b>30,903</b>	35,581
Health and safety	8,865	<b>8,865</b>	3,774
Consultancy fees	44,633	<b>44,633</b>	46,180
Telephone	6,023	<b>6,023</b>	4,538
Advertising	400	<b>400</b>	-
Printing, postage and stationary	6,109	<b>6,109</b>	13,456
Depreciation	125,315	<b>125,315</b>	64,512
Amortisation	13,087	<b>13,087</b>	13,087
Information Technology	533,788	<b>533,788</b>	465,378
Conference costs	8,156	<b>8,156</b>	14,091
Sundry expenses	79,773	<b>79,773</b>	100,482
Bank charges	4,658	<b>4,658</b>	4,255
Bad debts	(17,628)	<b>(17,628)</b>	20,924
Loss on disposal of fixed assets	12,313	<b>12,313</b>	880
Accountancy fees	17,330	<b>17,330</b>	21,547
Audit Fees	13,850	<b>13,850</b>	13,350
Legal fees	40,681	<b>40,681</b>	127,563
Professional subscriptions	271	<b>271</b>	589
Impairment of investment	-	-	100,000
<b>Total support costs for group</b>	<b>2,294,370</b>	<b>2,294,370</b>	2,125,611

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 8 Support costs (continued)

Charity	Charitable activities £	Total 2021 £	Total 2020 £
Wages and salaries	708,166	<b>708,166</b>	724,125
Rent	276,007	<b>276,007</b>	141,055
Rates and water	64,524	<b>64,524</b>	13,345
Light and heat	14,046	<b>14,046</b>	14,537
Repairs and maintenance	156,762	<b>156,762</b>	26,902
Insurance	30,740	<b>30,740</b>	34,899
Health and safety	8,865	<b>8,865</b>	3,774
Consultancy fees	40,087	<b>40,087</b>	45,930
Telephone	4,775	<b>4,775</b>	3,757
Printing, postage and stationary	6,033	<b>6,033</b>	9,290
Depreciation	125,315	<b>125,315</b>	64,512
Amortisation	13,087	<b>13,087</b>	13,087
Information Technology	439,928	<b>439,928</b>	397,684
Conference costs	8,156	<b>8,156</b>	14,091
Sundry expenses	48,621	<b>48,621</b>	83,290
Bank charges	2,156	<b>2,156</b>	2,101
Bad debts	(1,392)	<b>(1,392)</b>	3,068
Loss on disposal of fixed assets	12,313	<b>12,313</b>	880
Accountancy fees	13,309	<b>13,309</b>	17,856
Audit Fees	8,750	<b>8,750</b>	8,200
Legal fees	27,428	<b>27,428</b>	121,904
Intercompany loan waived	3,056	<b>3,056</b>	42,573
Impairment of investment		-	100,000
<b>Total support costs for charity</b>	<b>2,010,732</b>	<b>2,010,732</b>	<b>1,886,860</b>

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# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 9 Net income for the year

	2021	2020
	£	£
<b>Net income is stated after charging:</b>		
<b>Group</b>		
Staff pension contributions	112,330	134,793
Audtors' remuneration		
- audit of the financial statements	13,850	13,350
Depreciation of tangible assets		
- owned by the charity	125,315	64,512
Amortisation of intangible assets		
- owned by the charity	13,087	13,087
	<u>13,087</u>	<u>13,087</u>
<b>Charity</b>		
Staff pension contributions	90,114	115,089
Audtors' remuneration		
- audit of the financial statements	8,750	8,200
Depreciation of tangible assets		
- owned by the charity	125,313	64,512
Amortisation of intangible assets		
- owned by the charity	13,087	13,087
	<u>13,087</u>	<u>13,087</u>

### 10 Staff costs and emoluments

	2021	2020
	£	£
<b>Total staff costs were as follows:</b>		
<b>Group</b>		
Wages and salaries	2,516,647	2,372,839
Social security costs	223,250	203,892
Pension costs	112,330	134,793
	<u>2,852,227</u>	<u>2,711,524</u>
<b>Total group staff costs</b>	<u>2,852,227</u>	<u>2,711,524</u>
<b>Charity</b>		
Wages and salaries	2,009,708	1,927,774
Social security costs	173,515	164,393
Pension costs	90,114	115,089
	<u>2,273,337</u>	<u>2,207,256</u>
<b>Total charity staff costs</b>	<u>2,273,337</u>	<u>2,207,256</u>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 10 Staff costs and emoluments (continued)

#### Particulars of employees:

The average head count number of staff employed by the group during the year was as follows:

	<b>2021</b>	2020
	<b>No</b>	No
Executive	<b>3</b>	3
Charitable	<b>75</b>	71
Support	<b>16</b>	17
IDLS	<b>14</b>	15
VA	<b>1</b>	2
	<b>109</b>	108

The number of employees, whose remuneration for the year fell within the following bands, were:

	<b>2021</b>	2020
	<b>No</b>	No
£60,000 - £69,999	<b>1</b>	1
£70,000 - £79,999	<b>1</b>	2
£90,000 - £99,999	<b>-</b>	1
£100,000-109,999	<b>1</b>	-

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	<b>2021</b>	2020
	<b>No</b>	No
Accrued benefits under defined contribution pension schemes	<b>3</b>	4

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £29,846 (2020: £44,297).

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 11 Tangible fixed assets

Group and charity	Leasehold Property £	Fixtures & Fittings £	Equipment £	Motor Vehicles £	Totals £
<b>Cost</b>					
At 1 August 2020	163,451	10,303	321,332	86,807	581,893
Additions	890,791	533,603	225,006	-	1,649,400
Disposals	(163,451)	(10,303)	(47,211)	(14,167)	(235,132)
<b>At 31 July 2021</b>	<b>890,791</b>	<b>533,603</b>	<b>499,127</b>	<b>72,640</b>	<b>1,996,161</b>
<b>Depreciation</b>					
At 1 August 2020	163,451	10,303	102,114	3,730	279,598
Charge for the year	20,208	19,093	71,185	14,829	125,315
Eliminated on disposals	(163,451)	(10,303)	(34,356)	(5,445)	(213,555)
<b>At 31 July 2021</b>	<b>20,208</b>	<b>19,093</b>	<b>138,943</b>	<b>13,114</b>	<b>191,358</b>
<b>Net book value</b>					
<b>At 31 July 2021</b>	<b>870,583</b>	<b>514,510</b>	<b>360,184</b>	<b>59,526</b>	<b>1,804,803</b>
At 31 July 2020	-	-	219,218	83,077	302,295

### 12 Intangible assets

Group and charity	Other intangible assets £	Totals £
<b>Cost</b>		
At 1 August 2020	39,260	39,260
Additions	-	-
<b>At 31 July 2021</b>	<b>39,260</b>	<b>39,260</b>
<b>Amorisation</b>		
At 1 August 2020	22,310	22,310
Charge for the year	13,087	13,087
<b>At 31 July 2021</b>	<b>35,397</b>	<b>35,397</b>
<b>Net book value</b>		
<b>At 31 July 2021</b>	<b>3,863</b>	<b>3,863</b>
At 31 July 2020	16,950	16,950

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 13 Debtors

	<b>Group</b>	Group	<b>Charity</b>	Charity
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£</b>	£	<b>£</b>	£
Trade debtors	<b>358,764</b>	443,704	<b>302,282</b>	344,400
Amounts owed by group undertakings	-	-	<b>147,003</b>	157,628
Prepayments and accrued income	<b>181,880</b>	233,597	<b>167,341</b>	221,147
Other debtors	<b>4,751</b>	1,525	<b>3,878</b>	-
	<b>545,395</b>	678,826	<b>620,504</b>	723,175

### 14 Investments

<b>Group</b>	<b>2021</b>	2020
	<b>£</b>	£
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	<b>100,000</b>	-
Additions	-	100,000
Disposal	<b>(100,000)</b>	-
Impairment brought forward	<b>(100,000)</b>	-
Impairment	-	(100,000)
Eliminated on disposal	<b>100,000</b>	-
<b>Total investments</b>	-	-
<b>Charity</b>		
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	<b>100,002</b>	2
Additions	-	100,000
Disposals	<b>(100,000)</b>	-
Impairment brought forward	<b>(100,000)</b>	-
Impairment	-	(100,000)
Eliminated on disposal	<b>100,000</b>	-
<b>Total investments</b>	<b>2</b>	2

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Ltd (formerly Premier Training Services). Both companies are incorporated in England and Wales.

During the previous year the charity acquired the trade, assets and goodwill of a business which had operated through a subsidiary company during the previous year. As a result of the Covid-19 pandemic, a strategic change in direction had been made and as a result the goodwill acquired in the previous year had been fully impaired in the period.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 15 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	114,067	189,512	107,746	176,025
Other taxation and social security	100,295	70,136	100,295	70,136
Other creditors	4,580	20,482	54	20,402
Accruals and deferred income	621,904	484,631	587,471	460,463
	<b>840,846</b>	764,761	<b>795,566</b>	727,026

### Deferred income

	2021 £	2020 £
Balance brought forward	265,970	305,705
Release of deferred income	(265,970)	(305,705)
Income deferred to 2021-22	224,940	265,970
	<b>224,940</b>	265,970

### 16 Commitments under operating leases

Group and charity	2021	2021	2020	2020
	Land and Buildings £	Other items £	Land and Buildings £	Other items £
Within 1 year	205,249	33,042	110,964	33,269
Within 2 to 5 years	1,312,500	54,526	-	2,409
After more than 5 years	2,231,250	-	-	-
	<b>3,748,999</b>	<b>87,568</b>	110,964	35,678

### Charity only

	2021	2021	2020	2020
	Land and Buildings £	Other items £	Land and Buildings £	Other items £
Within 1 year	205,249	33,042	108,864	33,269
Within 2 to 5 years	1,312,500	54,526	-	2,409
After more than 5 years	2,231,250	-	-	-
	<b>3,748,999</b>	<b>87,568</b>	108,864	35,678

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 17 Unrestricted income funds: Current year

	At 1 August 2020 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2021 £
<b>Group</b>					
Designated Funds	126,789	-	-	(4,319)	122,470
General Funds	5,119,730	5,527,269	(4,680,902)	4,319	5,970,416
<b>Unrestricted funds</b>	<b>5,246,519</b>	<b>5,527,269</b>	<b>(4,680,902)</b>	<b>-</b>	<b>6,092,886</b>
<b>Charity</b>					
Designated Funds	126,789	-	-	(4,319)	122,470
General Funds	5,119,455	4,605,227	(3,845,678)	4,319	5,883,323
<b>Unrestricted funds</b>	<b>5,246,244</b>	<b>4,605,227</b>	<b>(3,845,678)</b>	<b>-</b>	<b>6,005,793</b>

The Trustees have created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance of £122,470 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

### 18 Unrestricted income funds: Prior year

	At 1 August 2019 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2020 £
<b>Group</b>					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,584,008	5,093,167	(4,560,189)	2,744	5,119,730
<b>Unrestricted funds</b>	<b>4,713,541</b>	<b>5,093,167</b>	<b>(4,560,189)</b>	<b>-</b>	<b>5,246,519</b>
<b>Charity</b>					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,624,730	4,309,522	(3,817,541)	2,744	5,119,455
<b>Unrestricted funds</b>	<b>4,754,263</b>	<b>4,309,522</b>	<b>(3,817,541)</b>	<b>-</b>	<b>5,246,244</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 19 Analysis of net assets between funds: Current year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	122,470	-	122,470
General Funds	1,808,666	4,161,750	-	5,970,416
<b>Total funds</b>	<b>1,808,666</b>	<b>4,284,220</b>	<b>-</b>	<b>6,092,886</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	122,470	-	122,470
General Funds	1,808,666	4,074,657	-	5,883,323
<b>Total funds</b>	<b>1,808,666</b>	<b>4,197,127</b>	<b>-</b>	<b>6,005,793</b>

### 20 Analysis of net assets between funds: Prior year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,485	-	5,119,730
<b>Total funds</b>	<b>319,245</b>	<b>4,927,274</b>	<b>-</b>	<b>5,246,519</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,210	-	5,119,455
<b>Total funds</b>	<b>319,245</b>	<b>4,926,999</b>	<b>-</b>	<b>5,246,244</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 21 Control and related party transactions (including key management personnel)

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £129,927 (2020: £119,239), including pension contributions of £15,520 (2020: £22,574), for their role as CEO.

During the year, 2 trustees were reimbursed £191 (2020: 4 trustees reimbursed £339) for expenses incurred.

Key management personnel of the company received total remuneration of £300,202 (2020: £372,063) for the financial period.

There are no further disclosable related party transactions for the charity.

### 22 Limited by guarantee

Every member guarantees, in the event of the company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.

**ASCENTIS**

England & Wales - Charity number 1129180

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# Accounts

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Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2020



# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2020

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Office 4 Lancaster Business Park Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle A J Turjansky P C Wilkinson A Bolton R Davies R H Newton-Syms P Rowe A Rushton
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 JULY 2020

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2020. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Reference and administrative details

Reference and administrative details are shown on page 2 of these financial statements.

### The trustees

The trustees who served the charity during the period were as follows:

S Carlisle  
A J Turjansky  
P C Wilkinson  
A Bolton  
R Davies  
R Tomlinson (resigned 28 August 2019)  
R H Newton-Syms  
P Rowe  
A Rushton (appointed 30 October 2019)

### Structure, governance and management

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

#### *Recruitment and appointment of new trustees*

The Board of Trustees appoints new trustees up to a maximum of 13 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

One third of the trustees (or the number nearest one third) must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. The retiring trustees shall be eligible for re-election. The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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#### *Organisational structure*

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the CEO, who meets formally with his executive team on a regular basis.

#### *Related parties*

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, save in respect to its own subsidiaries.

#### **Aims, objectives and activities**

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge, acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia and dyscalculia intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strength and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia & dyscalculia software provision to schools across UK and overseas; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure; to maintain excellent financial health.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the strong financial performance despite the impact of Covid-19. Group income decreased by only 3% to £5.1m in the year and the surplus target was still achieved.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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### STRATEGIC REPORT

#### Achievements and performance

This is Ascentis' eleventh year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia and dyscalculia intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. The office accommodation has proved to be very functional and a suitable location for the staffing base but in looking to the future we implemented a plan for the eventual relocation to larger premises. This sound infrastructure has enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

#### Financial review

##### *Reserves policy*

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2020/2021 is £5.3m and therefore, the target reserves are between £1.8m and £4.0m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2020 were £5.2m. After allowing for funds that can only be realised on disposal of a fixed asset (£319K) and the designated reserve (£127k), remaining free reserves are £4.8m, which is in excess of the above policy, allowing the Charity funds for future investment. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

##### *Principal funding sources*

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia and dyscalculia intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

#### Plans for future periods

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved a good surplus in the year despite the negative impact of Covid-19. The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 2-year period to 2022. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges and employers with the optimum level of customer support. Simultaneously, the Dyslexia and Dyscalculia Intervention Support service, delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2020-21 year are as follows:

1. Financial Health: achievement of modest growth in income and a minimum break-even position.
2. Product Development: development and maintenance of a qualifications portfolio and supporting learning materials which are aligned with Government policy, focused on our proven strengths and which meets the needs of individual customers through engagement with relevant stakeholders.
3. Intervention Software support service: expansion of dyslexia and dyscalculia service across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. Training: Provision of on-line training delivered through the subsidiary Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited).
5. Governance: compliance with Companies House and Charity Commission requirements.
6. Regulatory Compliance and Quality Assurance: maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
7. Human Resources: effective Human Resources structure supported by rigorous performance management and targeted staff development.
8. Systems and Physical Infrastructure: effective maintenance and development of systems, IT and accommodation.

#### **Principal risks and uncertainties**

##### *Risk management*

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, one of the most significant risks is considered to be the impact of changing government policy in relation to the funding of qualifications. Brexit also represents a potential risk in terms of the impact on immigration policy. Covid 19 remains a risk in relation to the possible closure of colleges and schools.

#### **Responsibilities of the trustees**

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditor

MHA Moore and Smalley are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as they are aware there is no relevant audit information of which the group's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

#### Approval

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

*Phil Wilkinson*

Mr P C Wilkinson  
Trustee

21/12/2020.....

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020**

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#### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020**

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#### **Other information (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6-7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020

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#### Auditor's responsibilities for the audit of the financial statements


We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Jenny McCabe (Senior Statutory Auditor)**  
For and on behalf of  
**MHA Moore and Smalley**  
Chartered Accountants and Statutory Auditor

Priory Close  
St Mary's Gate  
Lancaster  
LA1 1XB

Date: 21/12/2020

*MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Charitable activities	3	4,997,154	-	4,997,154	5,221,282
Investments	4	13,673	-	13,673	16,098
Other	5	82,340	-	82,340	-
<b>Total</b>		<b>5,093,167</b>	<b>-</b>	<b>5,093,167</b>	<b>5,237,380</b>
<b>Expenditure on:</b>					
Charitable activities	6	4,560,189	-	4,560,189	4,258,554
<b>Total</b>		<b>4,560,189</b>	<b>-</b>	<b>4,560,189</b>	<b>4,258,554</b>
<b>Net income before transfers</b>	<b>8</b>	<b>532,978</b>	<b>-</b>	<b>532,978</b>	<b>978,826</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>532,978</b>	<b>-</b>	<b>532,978</b>	<b>978,826</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,713,541	-	4,713,541	3,734,715
<b>Total funds carried forward</b>		<b>5,246,519</b>	<b>-</b>	<b>5,246,519</b>	<b>4,713,541</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities except as described in notes 3 and 6.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 32 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Charitable activities	3	4,237,898	-	4,237,898	4,698,781
Investments	4	13,673	-	13,673	16,098
Other	5	57,951	-	57,951	1,611
<b>Total</b>		<b>4,309,522</b>	<b>-</b>	<b>4,309,522</b>	<b>4,716,490</b>
<b>Expenditure on:</b>					
Charitable activities	6	3,817,541	-	3,817,541	3,696,942
<b>Total</b>		<b>3,817,541</b>	<b>-</b>	<b>3,817,541</b>	<b>3,696,942</b>
<b>Net income before transfers</b>	<b>8</b>	<b>491,981</b>	<b>-</b>	<b>491,981</b>	<b>1,019,548</b>
Transfers		-	-	-	-
<b>Net movement in funds</b>		<b>491,981</b>	<b>-</b>	<b>491,981</b>	<b>1,019,548</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,754,263	-	4,754,263	3,734,715
<b>Total funds carried forward</b>		<b>5,246,244</b>	<b>-</b>	<b>5,246,244</b>	<b>4,754,263</b>

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 32 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2020**

		2020	2019
		£	£
<b>Fixed assets</b>			
Tangible assets	10	302,295	98,884
Intangible assets	11	16,950	30,037
		<u>319,245</u>	<u>128,921</u>
<b>Current assets</b>			
Debtors	12	678,826	689,776
Cash at bank and in hand		5,013,209	4,713,364
		<u>5,692,035</u>	<u>5,403,140</u>
<b>Creditors: amounts falling due within one year</b>	14	<b>(764,761)</b>	<b>(818,520)</b>
		<u>4,927,274</u>	<u>4,584,620</u>
<b>Total assets less current liabilities</b>		<b>5,246,519</b>	<b>4,713,541</b>
<b>Provisions for liabilities</b>		-	-
		<u>5,246,519</u>	<u>4,713,541</u>
<b>Funds:</b>			
Unrestricted funds	16	5,246,519	4,713,541
<b>Total funds</b>		<b>5,246,519</b>	<b>4,713,541</b>

These accounts were approved by the members of the committee and authorised for issue on the 21/12/2020..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 16 to 32 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**CHARITY BALANCE SHEET**

**AS AT 31 JULY 2020**

		2020	2019
		£	£
<b>Fixed assets</b>			
Tangible assets	10	302,295	98,884
Intangible assets	11	16,950	30,037
		<u>319,245</u>	<u>128,921</u>
<b>Current assets</b>			
Debtors	12	723,175	710,934
Investments	13	2	2
Cash at bank and in hand		4,930,848	4,692,150
		<u>5,654,025</u>	<u>5,403,086</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(727,026)</u>	<u>(777,744)</u>
<b>Net current assets</b>		<u>4,926,999</u>	<u>4,625,342</u>
<b>Total assets less current liabilities</b>		<u>5,246,244</u>	<u>4,754,263</u>
<b>Provisions for liabilities</b>		-	-
<b>Net assets</b>		<u><u>5,246,244</u></u>	<u><u>4,754,263</u></u>
<b>Funds:</b>			
Unrestricted funds	16	5,246,244	4,754,263
<b>Total funds</b>		<u><u>5,246,244</u></u>	<u><u>4,754,263</u></u>

These accounts were approved by the members of the committee and authorised for issue on 21/12/2020..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
 Trustee

**Company Registration Number: 06799564**

The notes on pages 16 to 32 form part of these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR END 31 JULY 2020

	Group 2020 Total £	Group 2019 Total £	Charity 2020 Total £	Charity 2019 Total £
<b>Cash generated/(used) in operating activities</b>	<b>654,975</b>	<b>1,193,471</b>	<b>593,828</b>	<b>1,175,009</b>
<b>Cashflows from investing activities</b>				
Investment income	13,673	16,098	13,673	16,098
Purchase of tangible fixed assets	(275,052)	(43,639)	(275,052)	(43,639)
Purchase of intangible fixed assets	-	(19,870)	-	(19,870)
Receipts from sale of fixed assets	6,249	-	6,249	-
Purchase of investment acquisitions	(100,000)	-	(100,000)	-
<b>Cash generated/(used) in investing activities</b>	<b>(355,130)</b>	<b>(47,411)</b>	<b>(355,130)</b>	<b>(47,411)</b>
<b>Increase in cash and cash equivalents in the year</b>	<b>299,845</b>	<b>1,146,060</b>	<b>238,698</b>	<b>1,127,598</b>
Cash and cash equivalents b/fwd	4,713,364	3,567,304	4,692,150	3,564,552
<b>Cash and cash equivalents c/fwd</b>	<b>5,013,209</b>	<b>4,713,364</b>	<b>4,930,848</b>	<b>4,692,150</b>
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	532,978	978,826	491,981	1,019,548
Investment income received	(13,673)	(16,098)	(13,673)	(16,098)
Depreciation and amortisation	77,599	104,775	77,599	104,775
(Increase)/Decrease in debtors	10,950	60,011	(12,241)	41,604
Increase/(Decrease) in creditors	(53,759)	63,964	(50,718)	23,188
Addition of subsidiary	-	-	-	(1)
Loss on disposal of fixed assets	880	1,993	880	1,993
Impairment of purchase acquisitions	100,000	-	100,000	-
<b>Net cash generated/(used) in operating activities</b>	<b>654,975</b>	<b>1,193,471</b>	<b>593,828</b>	<b>1,175,009</b>
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	5,013,209	4,713,364	4,930,848	4,692,150
	<b>5,013,209</b>	<b>4,713,364</b>	<b>4,930,848</b>	<b>4,692,150</b>

The notes on pages 16 to 32 form part of these financial statements.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies

#### Legal form

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

#### Basis of preparation

Ascentis meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis (“the Charity”) and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited). The results of the subsidiaries are consolidated on a line by line basis.

#### Preparation of the accounts on a going concern basis

Prior to the balance sheet date and approval of these accounts, there has been an escalation of measures taken within society to combat the Covid-19 pandemic. The Trustees have provided further details of this impact in the Trustees’ Report and have assessed the budgeted income and expenditure alongside the reserves of the Charity. The Trustees believe there is sufficient working capital for at least 12 months from approval and that there is no material uncertainty at this time. Accordingly, the Trustees continue to adopt this basis of accounting in preparing the financial statements.

#### Income

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDL Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

PTS income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

---

### 1 Accounting policies (continued)

Government grants receivable represent income under the Coronavirus Job Retention Scheme (CJRS) to reimburse the company of costs incurred in retaining staff who were furloughed due to the impact of closure due to COVID-19. CJRS grants are recognised to match the costs incurred by the company for the period claims are made.

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

#### Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 years
Motor vehicles	-	2 to 4 years
Property improvements	-	10 years

#### Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset as follows:

Website costs	-	3 years
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#### Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

---

### 1 Accounting policies (continued)

#### Cash and cash equivalents

Cash balances represent cash in hand and deposits held at banks and building societies.

#### Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### Fund accounting

##### *Unrestricted funds*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

##### *Designated funds*

Designated funds are unrestricted funds set aside by the Trustees to cover future potential or actual monetary commitments. The fund balances are reviewed annually by the trustees.

##### *Restricted funds*

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

#### Pensions

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

#### Redundancy costs

Redundancy costs are expensed when the liability for payment of such costs is incurred.

#### Taxation

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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### 1 Accounting policies (continued)

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

#### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

#### *De-recognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

---

### 1 Accounting policies (continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *De-recognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key assumptions, judgements and estimates**

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### **Income recognition**

As stated in the accounting policies on page 16, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

The Trustees have not identified any further key judgements in these financial statements.

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

#### 3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Awarding qualification income	4,237,898	-	4,237,898	4,698,781
IDL income	688,965	-	688,965	522,501
PTS income	70,291	-	70,291	-
	<b>4,997,154</b>	<b>-</b>	<b>4,997,154</b>	<b>5,221,282</b>
<b>Charity</b>				
Awarding qualification income	4,237,898	-	4,237,898	4,698,781
	<b>4,237,898</b>	<b>-</b>	<b>4,237,898</b>	<b>4,698,781</b>

All income from charitable activities in the comparative period was unrestricted. Income of £70,291 (2019: £nil) relates to activities which have been discontinued.

#### 4 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Bank interest receivable	13,673	-	13,673	16,098
	<b>13,673</b>	<b>-</b>	<b>13,673</b>	<b>16,098</b>

All income from investments the comparative period was unrestricted.

#### 5 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Grant income	82,319	-	82,319	-
Other sundry income	21	-	21	-
	<b>82,340</b>	<b>-</b>	<b>82,340</b>	<b>-</b>

All other income in the comparative period was unrestricted.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**5 Other income (continued)**

Charity	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest on group loan	1,150	-	1,150	1,611
Grant income	56,801	-	56,801	-
	<b>57,951</b>	<b>-</b>	<b>57,951</b>	<b>1,611</b>

All other income in the comparative period was unrestricted.

**6 Expenditure on charitable activities**

Group	Promotion of education and training		Total 2020 £	Total 2019 £
	Unrestricted £	Restricted £		
Costs of generating awarding qualification income	1,990,034	-	1,990,034	2,275,838
Costs of generating IDL income	355,874	-	355,874	372,508
Costs of generating PTS income	88,670	-	88,670	-
Support costs (see note 7)	2,125,611	-	2,125,611	1,610,208
	<b>4,560,189</b>	<b>-</b>	<b>4,560,189</b>	<b>4,258,554</b>

Charity	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Costs of generating awarding qualification income	1,930,681	-	1,930,681	2,275,838
Support costs (see note 7)	1,886,860	-	1,886,860	1,421,104
	<b>3,817,541</b>	<b>-</b>	<b>3,817,541</b>	<b>3,696,942</b>

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity. Included within group expenditure on charitable activities is expenditure of £88,670 (2019: £nil) relating to discontinued operations.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**7 Support costs**

Group	Charitable activities £	Total 2020 £	Total 2019 £
Wages and salaries	874,610	874,610	679,076
Rent	144,905	144,905	124,109
Rates and water	13,345	13,345	11,628
Light and heat	14,537	14,537	14,876
Repairs and maintenance	28,027	28,027	35,747
Insurance	35,581	35,581	26,160
Health and safety	3,774	3,774	5,286
Consultancy fees	46,180	46,180	89,886
Telephone	4,538	4,538	4,510
Printing, postage and stationary	13,456	13,456	21,446
Depreciation	64,512	64,512	95,552
Amortisation	13,087	13,087	9,223
Information Technology	465,378	465,378	261,009
Conference costs	14,091	14,091	14,315
Sundry expenses	100,482	100,482	70,315
Bank charges	4,255	4,255	3,736
Bad debts	20,924	20,924	134
Loss on disposal of fixed assets	880	880	1,993
Accountancy fees	21,547	21,547	15,392
Audit Fees	13,350	13,350	10,875
Legal fees	127,563	127,563	114,940
Professional subscriptions	589	589	-
Impairment of investment	100,000	100,000	-
<b>Total support costs for group</b>	<b>2,125,611</b>	<b>2,125,611</b>	<b>1,610,208</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**7 Support costs (continued)**

Charity	Charitable activities £	Total 2020 £	Total 2019 £
Wages and salaries	724,125	724,125	638,810
Rent	141,055	141,055	117,904
Rates and water	13,345	13,345	11,047
Light and heat	14,537	14,537	14,132
Repairs and maintenance	26,902	26,902	33,960
Insurance	34,899	34,899	24,852
Health and safety	3,774	3,774	5,022
Consultancy fees	45,930	45,930	63,856
Telephone	3,757	3,757	4,284
Printing, postage and stationary	9,290	9,290	13,425
Depreciation	64,512	64,512	95,552
Amortisation	13,087	13,087	9,223
Information Technology	397,684	397,684	240,082
Conference costs	14,091	14,091	14,315
Sundry expenses	83,290	83,290	58,832
Bank charges	2,101	2,101	2,421
Bad debts	3,068	3,068	134
Loss on disposal of fixed assets	880	880	1,993
Accountancy fees	17,856	17,856	13,916
Audit Fees	8,200	8,200	7,875
Legal fees	121,904	121,904	49,469
Intercompany loan waived	42,573	42,573	-
Impairment of investment	100,000	100,000	-
<b>Total support costs for charity</b>	<b>1,886,860</b>	<b>1,886,860</b>	<b>1,421,104</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

<b>8</b>	<b>Net income for the year</b>		
	<b>Net income is stated after charging:</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Staff pension contributions	134,793	126,143
	Auditors' remuneration		
	- audit of the financial statements	13,350	10,875
	Depreciation of tangible assets		
	- owned by the charity	64,512	95,552
	Amortisation of intangible assets		
	- owned by the charity	13,087	9,223
		<u>13,087</u>	<u>9,223</u>
	<b>Charity</b>		
	Staff pension contributions	115,089	115,515
	Auditors' remuneration		
	- audit of the financial statements	8,200	7,875
	Depreciation of tangible assets		
	- owned by the charity	64,512	95,552
	Amortisation of intangible assets		
	- owned by the charity	13,087	9,223
		<u>13,087</u>	<u>9,223</u>
<b>9</b>	<b>Staff costs and emoluments</b>		
	<b>Total staff costs were as follows:</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Wages and salaries	2,372,839	2,134,026
	Social security costs	203,892	194,511
	Pension costs	134,793	126,143
	<b>Total group staff costs</b>	<u>2,711,524</u>	<u>2,454,680</u>
	<b>Charity</b>		
	Wages and salaries	1,927,774	1,852,438
	Social security costs	164,393	166,204
	Pension costs	115,089	115,515
	<b>Total charity staff costs</b>	<u>2,207,256</u>	<u>2,134,157</u>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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#### 9 Staff costs and emoluments (continued)

##### Particulars of employees:

The average head count number of staff employed by the group during the year was as follows:

	2020 No	2019 No
Executive	3	3
Charitable	71	88
Support	17	15
IDLS	15	11
PTS	2	-
	<b>108</b>	<b>117</b>

The number of employees, whose remuneration for the year fell within the following bands, were:

	2020 No	2019 No
£60,000 - £69,999	1	2
£70,000 - £79,999	2	-
£90,000 - £99,999	1	1

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	2020 No	2019 No
Accrued benefits under defined contribution pension schemes	4	3

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £44,297 (2019: £41,177).

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**10 Tangible fixed assets**

Group and charity	Leasehold Property £	Fixtures & Fittings £	Equipment £	Motor Vehicles £	Totals £
<b>Cost</b>					
At 1 August 2019	163,451	10,303	155,519	17,295	346,568
Additions	-	-	188,245	86,807	275,052
Disposals	-	-	(22,432)	(17,295)	(39,727)
<b>At 31 July 2020</b>	<b>163,451</b>	<b>10,303</b>	<b>321,332</b>	<b>86,807</b>	<b>581,893</b>
<b>Depreciation</b>					
At 1 August 2019	155,159	9,095	74,771	8,659	247,684
Charge for the year	8,292	1,208	49,775	5,237	64,512
Eliminated on disposals	-	-	(22,432)	(10,166)	(32,598)
<b>At 31 July 2020</b>	<b>163,451</b>	<b>10,303</b>	<b>102,114</b>	<b>3,730</b>	<b>279,598</b>
<b>Net book value</b>					
<b>At 31 July 2020</b>	<b>-</b>	<b>-</b>	<b>219,218</b>	<b>83,077</b>	<b>302,295</b>
At 31 July 2019	8,292	1,208	80,748	8,636	98,884

**11 Intangible assets**

Group and charity	Other intangible assets £	Totals £
<b>Cost</b>		
At 1 August 2019	39,260	39,260
Additions	-	-
<b>At 31 July 2020</b>	<b>39,260</b>	<b>39,260</b>
<b>Amorisation</b>		
At 1 August 2019	9,223	9,223
Charge for the year	13,087	13,087
<b>At 31 July 2020</b>	<b>22,310</b>	<b>22,310</b>
<b>Net book value</b>		
<b>At 31 July 2020</b>	<b>16,950</b>	<b>16,950</b>
At 31 July 2019	30,037	30,037

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

### 12 Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	443,704	386,123	344,400	306,218
Amounts owed by group undertakings	-	-	157,628	108,980
Prepayments and accrued income	233,597	303,653	221,147	295,736
Other debtors	1,525	-	-	-
	<b>678,826</b>	<b>689,776</b>	<b>723,175</b>	<b>710,934</b>

### 13 Investments

Group	2020 £	2019 £
<b>Investments in subsidiary undertakings</b>		
Additions	100,000	-
Impairment	(100,000)	-
<b>Total investments</b>	-	-
<b>Charity</b>		
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	2	1
Additions	100,000	1
Disposals	-	-
Impairment	(100,000)	-
<b>Total investments</b>	2	2

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and £1 representing the acquisition of Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited) during the year. Both companies are incorporated in England and Wales.

During the year the charity acquired the trade, assets and goodwill of a business which has operated through a subsidiary company during the year. As a result of the Covid-19 pandemic, a strategic change in direction has been made and as a result the goodwill acquired in the year has been fully impaired in the period.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**14 Creditors: amounts falling due within one year**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	189,512	157,990	176,025	151,129
Other taxation and social security	70,136	66,675	70,136	66,675
Other creditors	20,482	14,499	20,402	14,500
Accruals and deferred income	484,631	579,356	460,463	545,440
	<b>764,761</b>	<b>818,520</b>	<b>727,026</b>	<b>777,744</b>

Deferred income	2020 £	2019 £
Balance brought forward	305,705	237,902
Release of deferred income	(305,705)	(237,902)
Income deferred to 2020-21	265,970	305,705
	<b>265,970</b>	<b>305,705</b>

**15 Commitments under operating leases**

Group and charity	2020 Land and Buildings £	2020 Other items £	2019 Land and Buildings £	2019 Other items £
Within 1 year	110,964	33,269	38,116	185,044
Within 2 to 5 years	-	2,409	-	28,823
After more than 5 years	-	-	-	-
	<b>110,964</b>	<b>35,678</b>	<b>38,116</b>	<b>213,867</b>

Charity only	2020 Land and Buildings £	2020 Other items £	2019 Land and Buildings £	2019 Other items £
Within 1 year	108,864	33,269	38,116	185,044
Within 2 to 5 years	-	2,409	-	28,823
After more than 5 years	-	-	-	-
	<b>108,864</b>	<b>35,678</b>	<b>38,116</b>	<b>213,867</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**16 Unrestricted income funds: Current year**

	At 1 August 2019 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2020 £
<b>Group</b>					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,584,008	5,093,167	(4,560,189)	2,744	5,119,730
<b>Unrestricted funds</b>	<b>4,713,541</b>	<b>5,093,167</b>	<b>(4,560,189)</b>	<b>-</b>	<b>5,246,519</b>
<b>Charity</b>					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,624,730	4,309,522	(3,817,541)	2,744	5,119,455
<b>Unrestricted funds</b>	<b>4,754,263</b>	<b>4,309,522</b>	<b>(3,817,541)</b>	<b>-</b>	<b>5,246,244</b>

The Trustees have created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance of £126,789 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

**17 Unrestricted income funds: Prior year**

	At 1 August 2018 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2019 £
<b>Group</b>					
Designated Funds	144,149	-	-	(14,616)	129,533
General Funds	3,590,566	5,093,167	(4,560,189)	14,616	4,138,160
<b>Unrestricted funds</b>	<b>3,734,715</b>	<b>5,093,167</b>	<b>(4,560,189)</b>	<b>-</b>	<b>4,267,693</b>
<b>Charity</b>					
Designated Funds	144,149	-	-	(14,616)	129,533
General Funds	3,590,566	4,309,522	(3,817,541)	14,616	4,097,163
<b>Unrestricted funds</b>	<b>3,734,715</b>	<b>4,309,522</b>	<b>(3,817,541)</b>	<b>-</b>	<b>4,226,696</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2020**

**18 Analysis of net assets between funds: Current year**

<b>Group</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,485	-	5,119,730
<b>Total funds</b>	<b>319,245</b>	<b>4,927,274</b>	<b>-</b>	<b>5,246,519</b>

<b>Charity</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,210	-	5,119,455
<b>Total funds</b>	<b>319,245</b>	<b>4,926,999</b>	<b>-</b>	<b>5,246,244</b>

**19 Analysis of net assets between funds: Prior year**

<b>Group</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	129,533	-	129,533
General Funds	128,921	4,455,087	-	4,584,008
<b>Total funds</b>	<b>128,921</b>	<b>4,584,620</b>	<b>-</b>	<b>4,713,541</b>

<b>Charity</b>	<b>Intangible &amp; tangible fixed assets</b>	<b>Net current assets</b>	<b>Long term liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted income funds:</b>				
Designated Funds	-	129,533	-	129,533
General Funds	128,921	4,495,809	-	4,624,730
<b>Total funds</b>	<b>128,921</b>	<b>4,625,342</b>	<b>-</b>	<b>4,754,263</b>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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#### 20 Control and related party transactions (including key management personnel)

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £119,239 (2019: £117,824), including pension contributions of £22,574 (2019: £22,574), for their role as CEO.

During the year, 4 trustees were reimbursed £339 (2019: 5 trustees reimbursed £7,811) for expenses incurred.

Key management personnel of the company received total remuneration of £372,063 (2019: £354,765) for the financial period.

There are no further disclosable related party transactions for the charity.

#### 21 Events after the reporting period

After the year end but before the approval of these accounts, the group has taken a strategic change of direction which has resulted in the planned closure of a regional office in the Midlands for one of its subsidiary entities. A period of restructure is expected to occur, and new opportunities sought in the online sector and in line with the rest of the group's offering.

#### 22 Limited by guarantee

Every member guarantees, in the event of the company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.